

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1518280-000

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UNCLASSIFIED

FEDERAL BUREAU OF INVESTIGATION**Import Form****Form Type:** OTHER**Date:** 08/03/2016**Title:** (U) 29B-BS-79465 SEC.001**Approved By:** b6
b7c**Drafted By:** **Case ID #:** 29B-BS-79465(U) BALTIC
INTERNATIONAL BANK; ET AL; FIF; OO:BS

Synopsis: (U) The attached file may contain classified national security information or caveats. Information is not authorized for dissemination outside the FBI or for public release until a review for classified information has been conducted and the information has been properly marked. Documents determined to contain classified information that have been requested for public access may be classified under the provisions of section 1.7(d) of Executive Order 13526.

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UNCLASSIFIED

12/06/96
14:12:56

FD-192

ICMIPR01
Page 1

Title and Character of Case:

[REDACTED]

b6
b7C

Date Property Acquired: 12/03/1996
Source from which Property Acquired:
EXECUTIVE OFFICE CENTERS, INC. - OFFICE 35
10 POST OFFICE SQUARE SUITE 600
BOSTON MA

Anticipated Disposition: Acquired By: Case Agent:

[REDACTED]

[REDACTED]

b6
b7C

Grand Jury Material - NO (Disseminate only pursuant to Rule 6(e))

Description of Property:

Date Entered

1B 1

BOX 1 OF 2 CONTAINING 1) 49 PENDAFLEX FILES

Barcode: E0163031 Location: ECR

12/06/1996

BOX 2 OF 2 CONTAINING 1) PLASTIC COMPUTER DISK HOLDER
CONTAINING 17 COMPUTER DISKS 2) 23 LOOSE COMPUTER DISKS
3) CHECKBOOK LEDGER 4) 12 PENDAFLEX FILES CONTAINING
MISCELLANEOUS DOCUMENTS 5) 2 BLACK WIRE TRAYS CONTAINING
MISCELLANEOUS DOCUMENTS

Barcode: E1063032 Location: ECR

12/06/1996

Case Number: 29B-BS-79465
Owning Office: BOSTON

29B-BS-79465 1B1

SEARCHED	INDEXED
SERIALIZED	FILED
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FBI - BOSTON	

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12/06/96
14:12:48

FD-192

ICMIPR01
Page 1

Title and Character of Case:

[REDACTED]

b6
b7C

Date Property Acquired: 12/05/1996
Source from which Property Acquired:
EXECUTIVE OFFICE CENTERS, INC - OFFICE 35
10 POST OFFICE SQUARE
BOSTON MA

Anticipated Disposition: Acquired By: [REDACTED] Case Agent: [REDACTED]

b6
b7C

Grand Jury Material - NO (Disseminate only pursuant to Rule 6(e))

Description of Property:
1B 2

Date Entered

BOX 1 OF 2 CONTAINING 1) MAROON BRIEFCASE 2) MISCELLANEOUS
NEWSPAPERS 3) BALTIC CO. STAMP 4) NUMEROUS MISCELLANEOUS
PAPERS, LETTERS AND FOLDERS 5) ROLADEx

Barcode: E1063033 Location: ECR

12/06/1996

BOX 2 OF 2 CONTAINING 1) 5 DESK TRAYS CONTAINING
MISCELLANEOUS LETTERS, PAPERS AND RECORDS 2) VIDEO CASSETTE
RE: BALTIC INTERNATIONAL BANK 3) BOX OF ORIGINAL CANCELLED
CHECKS 4) ROLADEx 5) 3 APPOINTMENT BOOKS 6) 8MM VIDEO
CASSETTE

Barcode: E1063034 Location: ECR

12/06/1996

Case Number: 29B-BS-79465
Owning Office: BOSTON

29B-BS-79465 1B2

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FBI - BOSTON	

[REDACTED]

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(06/01/1995)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 09/26/1996

To: BOSTON

From: BOSTON

C-11

Contact: SA [REDACTED] x6377

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 272B-BS-76926 (Pending)

Title: [REDACTED]

[REDACTED] BALTIC INTERNATIONAL BANK;
ET AL;
FIF
OO:BS

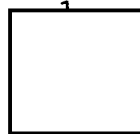
Synopsis: Reclassify captioned matter.

Details: On 9/20/96, SSA [REDACTED] FBIHQ, Economic Crimes Unit, x8071, advised SA [REDACTED] that, according to Bureau policy,

[REDACTED]

♦♦

*Close
4 272B-BS-76926
proper case or
29B new and
consolidate 272B into
new 29B*



9/26/96

29B-BS-79465-1

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FBI - BOSTON	

270 [REDACTED] 02.ED

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Memorandum



To : SAC, BOSTON

Date 6/7/95

From : SA [redacted]

Subject: [redacted]

BALTIC ASSOCIATES, INC.;
BALTIC INTERNATIONAL BANK;
FINANCIAL INSTITUTION FRAUD;
OO: BOSTON

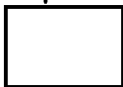
The purpose of this memorandum is to synopsise allegations received and developed in captioned matter in order to initiate investigation of potential violations.

Enclosed with this communication are the following:

- a. Letter dated 6/22/94 from [redacted] to [redacted]
[redacted]
- b. Letter dated 8/22/94 from [redacted]
which was faxed to [redacted]
[redacted]
- c. Letter dated 8/24/94 from [redacted] to
[redacted] on behalf of Baltic International-Baltic Associates.
- d. Letter dated 11/2/94 from Baltic International Bank to [redacted] in response to his inquiry about deposit programs.
- e. Memorandum dated 11/7/94 from Federal Reserve Board of Governors [redacted] regarding the Baltic International Bank situation.

2 - Boston
[redacted] (2)

O & A
272B
Assign
6/8/95



29B-B5-79463
272B-B5-711926-2

SEARCHED	INDEXED
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- f. Memorandum from [] regarding the licensing of Baltic International Bank under the supervision of the Bank of Latvia.
- g. Letter dated 11/15/94 from [] Federal Reserve Bank, Boston to []
- h. Memorandum dated 4/11/95 from [] to the Woburn Daily Times with the altered letter from the Commission on Banks as well the original copy in its unaltered condition.

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This case evolved through liaison contacts by FBI, Boston with the Federal Reserve, both in Washington, DC and Boston, MA. Baltic International Bank first came to the attention of Boston Federal Reserve Officials in November, 1994 when [] then a Braintree High School student, made a telephonic inquiry regarding the propriety of a foreign bank's acceptance of deposits in the U. S. [] learned of Baltic International Bank through an advertisement in "The Braintree Forum," a local newspaper on the South Shore. The advertisement outlined the terms of short term, high interest deposits for amounts as small as \$100 with graduated interest rates ranging from fourteen to eighteen percent and terms between three and twelve months. In researching the issue, Federal Reserve Officials determined that Baltic International Bank was not, in fact, licensed or otherwise authorized to solicit or accept deposits in the U. S. Deputy Commissioner of Banks responded to an inquiry from Baltic official, [] regarding acceptance of deposits in Boston, assigning account numbers and other related functions. Despite being informed that such activity would violate specific statutory provisions, [] proceeded to advertise in local newspapers and more recently in newspapers in the Latvian community in Brookline. It is not known if any deposits had, in fact, been accepted. Furthermore, [] altered a letter from Commission of Banks dated 12/6/94 in an attempt to place advertising with the Woburn Daily Times. In this altered document that was faxed to the newspaper, [] deleted over half of the last paragraph to conceal the explicit prohibition on Baltic's acceptance of deposits and associated functions.

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REQUEST OF SSA []

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Based upon the foregoing, it is requested that captioned matter be opened and assigned to writer for investigation utilizing a []

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[REDACTED]

June 22, 1994

[REDACTED]

Via FAX Transmission [REDACTED]

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Dear [REDACTED]

I am writing to you on behalf of the Baltic International Bank, located in Riga, Latvia.

The Baltic International Bank is interested in forming a Massachusetts corporation. The officers of the corporation will be three of the BIB's partners, along with one resident of Massachusetts.

The purpose of the corporation will be to advertise BIB's high interest savings account programs and activate participation into these savings accounts. Consumers who deposit will make checks payable either to the corporation (who will then forward the deposits to BIB), or to BIB. There will be one employee responsible for performing these tasks.

My question is: Does the state require that this employee have any special licence?

Your advice by telephone would be greatly appreciated. Should you have any questions, or require additional information, please feel free to call.

Kind regards,

[REDACTED]

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BALTIC INTERNATIONAL - BALTIC ASSOCIATES, INC.

August 24, 1994

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Dear

The Baltic International Bank in Riga, Latvia, (BIB) has formed a separate corporation in Boston, Massachusetts, entitled Baltic International - Baltic Associates, Inc. (BIBA).

The function of BIBA is to endeavor as a customer service and marketing office for citizens of the United States, (primarily residents of Massachusetts, due to location) who are interested in opening savings accounts with BIB.

BIBA will be responsible for performing the following:

- ◆ Advertise BIB's savings account programs
- ◆ Describe the details of the individual savings account programs to potential depositors
- ◆ Assign savings account numbers, (which have been pre-designated by BIB)
- ◆ Ensure that the depositor signs necessary paperwork, (i.e., BIB deposit contract...)
- ◆ Deposit incoming funds to BIBA account in Boston, thereupon wire transferring funds to the Bank of Latvia
- ◆ Return deposit and accrued interest to depositor upon the conclusion of the deposit term

Presently, none of these actions have been initiated. Are these services permitted by the Division of Banks? If some are allowed, while others are not, I will need to know:

- 1) which services are not permitted
- 2) what is required in order to be able to perform these services.

Thank you so much for your assistance.

Kindest regards,

b6
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From:
To:
Company:

Date: August 22, 1994
Time: 1:26 PM
FAX #:

Message:

Dear

Thank you for calling me. Enclosed you will find a copy of the letter we were speaking about. Any information you can forward would be much appreciated.

Thanks so much!

P. S. I have also included copy which describes the types of accounts Baltic International Bank wants to promote in Boston.

3 pages including this one

VOICE:

FAX:

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Short Term High Interest

Pure and Simple

At Baltic International Bank
you're savings deposit earns

14 % through 18 % interest

Three, Six, Twelve and Twenty-Four month programs
Minimum deposits starting at \$100.00

Why Settle For Less ?

Baltic International Associates, Inc.

617-261-1833 x 100

303 Congress Street Suite 600 Boston, MA 02210
A Financial Services Alliance of the Baltic International Bank

*Terms, Conditions and Rates quoted are considered introductory and are subject to change without notice.
Interest rates will vary depending upon deposit amount and term length. Rates quoted are AIR and are current as of
August 11, 1994. Restrictions apply. Substantial penalties for early withdrawal.*

BALTIC INTERNATIONAL - BALTIC ASSOCIATES, INC.

August 29, 1994



Dear 

The Baltic International Bank in Riga, Latvia, (BIB) has formed a separate corporation in Boston, Massachusetts, entitled Baltic International - Baltic Associates, Inc. (BIBA).

The function of BIBA is to endeavor as a customer service and marketing office for citizens of the United States, (primarily residents of Massachusetts, due to location) who are interested in opening savings accounts with BIB.

BIBA will be responsible for performing the following:

- ◆ Advertise BIB's savings account programs
- ◆ Describe the details of the individual savings account programs to potential depositors
- ◆ Assign savings account numbers, (which have been pre-designated by BIB)
- ◆ Ensure that the depositor signs necessary paperwork, (i.e., BIB deposit contract...)
- ◆ Deposit incoming funds to BIBA account in Boston, thereupon wire transferring funds to the Bank of Latvia
- ◆ Return deposit and accrued interest to depositor upon the conclusion of the deposit term

Presently, none of these actions have been initiated. Are these services permitted by the Division of Banks? If some are allowed, while others are not, I will need to know:

- 1) which services are not permitted
- 2) what is required in order to be able to perform these services.

Thank you so much for your assistance.

Kindest regards

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BALTIC INTERNATIONAL BANK

"THE PRIVATE BANK"

November 2, 1994

Dear

In response to your request, I have enclosed information regarding Baltic International Bank and its deposit programs. Please bear in mind that these programs are introductory, and are subject to limited time availability.

The Republic of Latvia was founded in 1201 AD. Riga is the capital, and has a population of just under one million. The minimum wage in Latvia is \$42.00 USD per month, the median monthly salary is \$142.00 USD. The Latvian Lat is presently equivalent to \$1.87 USD. Major industries include mechanical engineering, the food industry, textiles, chemicals, wood processing and electronics.

Each deposit made into the bank helps to further strengthen the economy of our emerging nation. Baltic International Bank invests its resources in commercial and consumer loans. In order to safeguard the bank's interest against detrimental loan risks, loans which are granted by BIB are collateralized.

Additionally included is information which pertains to the guidelines and regulations set forth by the Bank of Latvia. These regulations must be adhered to by all commercial banking institutions in the Republic of Latvia. I believe that this information will provide answers to any issues you may have with regard to the stability of Baltic International Bank, as well as the safekeeping of your deposit.

After looking over the information provided, should you ascertain that an account at Baltic International Bank is appropriate for you, you need only:

- ♦ Complete and sign the enclosed Account Application
- ♦ Complete and sign the enclosed Deposit Agreement
- ♦ Enclose a check or money order - payable to Baltic International Bank - Please do not send cash

Please send your completed package to:

Baltic International Bank
In Care Of:
303 Congress Street, Boston, MA 02210

Baltic International Bank thanks you for your interest, and looks forward to providing you with superior service.

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b7C

b6
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43

KALEJU

STREET

RIGA,

LV 1050

LATVIA

PHONE

371 2

222 824

Baltic International Bank
In Care Of:
303 Congress Street
Boston, MA 02210

ABOUT BIB

Subsequent to the reorganization of the Latvian banking system in May of 1992, Baltic International Bank received its primary license from the Bank of Latvia in early 1993. Baltic International Bank is listed with the Latvian Register of Enterprises as registration number 00312788.

Well respected as an innovative leader, BIB is noted for its Visa Gold Credit Card Program, Gold Secured Deposit Program, as well as Personal Account Managers. With a total of 57 banks in Latvia, Baltic International Bank prevails as the only bank able to offer this benefits package to its clients.

Financial stability is reflected in Baltic International Bank's growth rate. Between January and July of 1994, BIB initiated an astounding 649 Gold Secured Deposit Accounts. Since September 1993, BIB has increased its authorized capital more than ten times, to 250,000 Ls, and is expected to further increase to 1,000,000 Ls by the end of 1994. On July 1, 1994, Baltic International Bank's assets amounted to 1,800,000 Ls. Circulation during the first six months of 1994 is recorded as 25,650,000 Ls. The Lat is presently equivalent to \$1.87 USD.

Baltic International Bank maintains more than 39 correspondent bank accounts in 18 countries, among them, Bank of New York, Barclays Bank and Svenska Handelsbanken.

BIB currently employs 34 people (most with University Degrees in Economy) and is expected to increase its staff to over 50 employees at the close of 1994.

BALTIC INTERNATIONAL BANK

"THE PRIVATE BANK"

43 KALEJU STREET
63 VALDEMARA STREET

RIGA, LATVIA

PHONE
371 2 222 824

WHY DEPOSIT IN BIB?

At Baltic International Bank, we pride ourselves in being able to provide you with the best possible service available. With that in mind, BIB has developed eight deposit programs designed to yield the depositor above average returns.

Short deposit terms, high interest rates, Baltic International Bank makes selecting a deposit program pure and simple.

SIMPLE RATE - COMPOUND RATE CONVERSION

SIMPLE	12.88	13.8	14.72	15.64	16.56
COMPOUND	13.67	14.71	15.75	16.81	17.88

Simple Interest or Compound Interest? Simple interest is paid monthly at the AIR listed on the table to the right. Compound interest is paid in one lump sum upon the expiration of the deposit term, and provides the depositor with a higher return.

EXAMPLE: DEPOSIT PROGRAM 3

\$7500 at 14.72% simple interest totals \$8604, interest is paid to the Depositor as \$92 per month.

\$7500 at 14.72% compound interest totals \$8681.61, paid to the Depositor, in full, at term expiration.

SELECT A PROGRAM

Are your priorities defined by short term, long term, moderate interest, high interest? Perhaps a reasonable minimum deposit is of the greatest concern.

With several deposit programs from which to choose, Baltic International Bank is sure to have a plan which meets your needs.

DEPOSIT PROGRAMS*

DEPOSIT PROGRAM	MINIMUM DEPOSIT	DEPOSIT TERM	AIR
1	\$100	3 - 5 MONTHS	12.88%
2	\$100	6 - 11 MONTHS	13.80%
3	\$100	12 - 24 MONTHS	14.72%
4	\$10,000	3 - 5 MONTHS	14.72%
5	\$10,000	6 - 11 MONTHS	15.64%
6	\$10,000	12 - 24 MONTHS	16.56%

* TERMS, CONDITIONS AND RATES QUOTED ARE CONSIDERED INTRODUCTORY AND ARE SUBJECT TO CHANGE WITHOUT NOTICE. INTEREST RATES ARE ANNUAL INTEREST RATES AND WILL BE COMPENSATED ACCORDINGLY. SUBSTANTIAL PENALTY FOR EARLY WITHDRAWAL. RATES CURRENT AS OF NOVEMBER 2, 1994.

ACCOUNT APPLICATION

☐ I wish to open a Deposit Account at Baltic International Bank. Please send me a Deposit Package, complete with Deposit Agreement and Annual Report. I realize that the deposit term will not take effect until such time as my deposit is received by Baltic International Bank.

☐ Apply By Phone: 617-261-1833

Depositor Account Profile

Name _____

Address _____

City/ST/Zip _____

Work Phone _____

Home Phone _____

SSN _____ DOB _____

Beneficiary _____

Address _____

Deposit Program Selection

Deposit Program 1 2 3 4 5 6

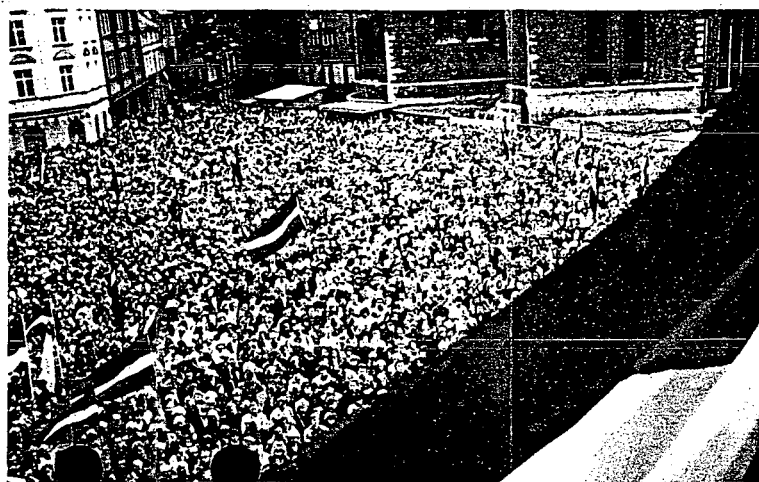
Deposit Amount \$ _____

Interest Type simple compound

Baltic International Bank (hereinafter referred to as Bank) is to keep the deposit in an account number to be determined. Bank is entitled to dispose of deposit within the deposit term at Bank's discretion. Bank is entitled to utilize the deposit as loan resources on behalf of the Bank. Simple interest is to be paid each month, on the anniversary date of the deposit, until the completion of the deposit term. Compound interest is to be paid upon the completion of the deposit term. At deposit term expiration, Bank is to recompense Depositor the amount of initial deposit. Bank guarantees confidentiality of deposit and Depositor. Depositor must inform Bank, in writing, 14 days prior to early withdrawal. Deposits with a term of less than 6 months do not qualify for early withdrawal. Deposits which are prematurely withdrawn between a period of 6 and 9 months subsequent to the initiation of account will be paid 2 % AIR, or after 9 months, 3 % AIR. In the event of demise of the Depositor, deposit and interest are transferred to Beneficiary. Beneficiary must present Death Certificate of Depositor, and valid identification. In the event of legally testified and court ruled loss of competence, the endorsement of this Deposit Agreement is transferred to the person or entity designated by the court. Baltic International Associates acts solely as an advertising, publicity, telephone response and mailing source for Baltic International Bank.

Signature _____

Date _____



the urgent cry of the Balts for independence and self-determination in their native lands. Pro-independence governments were elected in all three republics, but the huge task of shaking off Soviet occupation and establishing true independence remained. In January, 1991, self-appointed "salvation committees", supported by Soviet "Omon" troops, tried to take over power from the duly elected governments in Latvia and Lithuania. Various strategic buildings were occupied by force in Riga and Vilnius. More than 20 unarmed civilians were killed and more than hundred were injured. To counter these assaults, Latvians and Lithuanians erected and manned barricades around their government buildings and communication centers: thus averting further coup attempts.

In a referendum held March, 1991, the people of Latvia voted overwhelmingly in favor of democratic and independent statehood for the Republic of Latvia. In the months that followed, the Soviet central government intransigently refused to begin negotiations over Latvian independence, but the failed coup against Soviet President Mikhail Gorbachev provided the opportunity for Latvia and the other Baltic Republics to slip free from the Soviet stranglehold.

ANCIENT HISTORY

The Latvian people have lived in their Baltic-shore territory for more than 4,000 years. Latvian is among the oldest living languages in Europe. Latvia's location at an East-West crossroad, and her ice-free ports on the Baltic Sea, have made her an inviting target for expansionist powers. Over the centuries, Latvian soil has been occupied by the Teutonic knights of Germany, the kings of Sweden and Poland, and the tsars of Russia. Nevertheless, the Latvian people have always defiantly maintained

their self-identity and pride.

World War I and the fall of the Russian tsars provided an opportunity for numerous Russian colonies to break away from the empire. Only Latvia, Lithuania and Estonia managed to sustain independence for more than a few years. Latvia, which declared independence on November 18, 1918, signed a treaty with the new Soviet Russian government in which Russia "forever" renounced any claims to Latvian territory. The newly declared nation quickly developed a successful economy and joined the League of Nations.

"Forever" lasted exactly twenty-two years.

A MODERN INJUSTICE

In June, 1940, Stalin's regime presented Latvia with an ultimatum: admit Soviet troops, or face annihilation. On June 17, Russian tanks crossed Latvia's eastern border. Within a few months, the nation was annexed to the Soviet empire, and ruthless repression against the indigenous population began. Thousands of military and law enforcement officials were executed summarily. Political and social leaders were imprisoned and often brutally tortured. Many Latvians made the long, often one-way trip east to Russian concentration camps. On June 14, 1941, the Soviets deported more than 15,000 Latvians to Siberia in one single night.

The Soviets were ejected from Latvia by Hitler's advancing troops. The German occupation was also hostile and violent against significant segments of the population, and again many of Latvia's residents lost their lives. Before long, however, Hitler's forces were driven



back into central Europe. Nearly a quarter-million Latvians fled to the West before the end of the war. Latvia was left deep behind the Iron Curtain.

Sporadic guerilla warfare against the Soviet invaders continued for a number of years in Latvia, but the armed Soviet presence was immense. Collectivization of agriculture resulted in another enormous round of deportations in 1949. The latest round of deportations brought the total number of post-war deportees to more than 200,000. An intensive program of Russification was begun: learning the Russian language became mandatory in Latvian schools (today, most Latvians in Latvia can speak Russian, while fewer than one fifth of Russians in the country have bothered to learn Latvian). Hundreds of thousands of migrant workers were forcibly settled in Latvia and encouraged to stifle any manifestation of Latvian dissent. In 1939 the percentage of Latvians in Latvia was nearly 80%. Today it has shrunk to just about one half of the population.

Freedom of speech and press was abolished. Access to western printed materials, radio broadcasts and other communications was strictly forbidden. Religious activity was crushed. People were encouraged to spy on one another. Thousands more were jailed, deported or killed.

The restructuring of the Soviet system in the mid-1980s provided the catalyst for the second renaissance in Latvia. As terrorist dictatorships fell around the world, the communist regime began to collapse in Latvia. Finally, the Soviet Union experienced the inevitable lessons of history.

THE ONGOING STRUGGLE

Latvia's declaration of the restoration of independence in August of 1991 resolved many of the painful issues prominent in the transitional period between outright occupation and independence. The web of the KGB secret police was torn, Soviet control over Latvian borders was drastically reduced, and the unwelcome presence of the Communist Party was all but obliterated

from the political map. Most importantly, the world recognized that the Soviet Union had no right to speak on behalf of Latvia and her people.

Things are changing in Latvia. A new, independent economy is being designed, with a return to a convertible currency. The institutions of democratic government are taking hold and beginning to make real progress. Difficult questions regarding citizenship, property rights, the environment, as well as educational, social and cultural structures are being addressed. The symbols of occupation are being dismantled. Streets in Riga and across Latvia have been given back their pre-occupation names. Riga's most stately avenue, which for the last half-century suffered under Lenin's name, is now again Freedom Boulevard. Statues of the founders of communism are being taken down all over the country.

Latvia's movement toward independence is being blocked by two major socio-economic forces: a lack of



money due to half a century of incompetent economic management by the Soviets; and fifty years of planned inertia, during which three generations grew up in a system where doing nothing was usually safer than doing something.

But the spirit of Latvians has not been broken, despite the hardest efforts of the occupation regime. Throughout Latvia, thousands of people are working to rebuild the new nation from scratch. The memory of the thriving period of former independence lives on in the minds of Latvians and is passed on to their children and grandchildren as a catalyst for the nation's future.

Latvians living in the West provide crucial material and spiritual support to the people of Latvia. Growing numbers of western Latvians are moving to Latvia, temporarily or permanently, to assist in the rebuilding process. Financial and other material assistance is being sent to the Baltic states.

Above, left: Latvians remember their martyrs and demand freedom for their nation, Riga, 1989. Photo: I. Kalniņš.

Left: Victims of Soviet atrocities in the courtyard of the Central Prison in Riga, 1941. Photo: Book Latvia, Inc.

Above, right: Typical landscape of the Latgale region. Photo: Ž. Skudra.

LATVIA

LATVIA



Capital:	Riga (founded 1201)
Size:	25,000 sq. miles (66,000 sq. km) —about the size of Ireland
Population:	2,667,000 (1989 census)
Religions:	55% Lutheran; 24% Roman Catholic; Greek Orthodox, Baptist, Jewish
Economy:	Agriculture, electronics and machinery, fishing, forestry
Language:	Second oldest language in the Indo-European family. A non-Slavic, non-Germanic language — similar only to Lithuanian
Government:	Democratic republic until 1940. Member League of Nations. Regained independence August, 1991. Admitted to United Nations September, 1991
Flag:	Maroon-white-maroon, 2:1:2
Climate:	Northern maritime, with mild winters and moderately warm summers

Above: Coat-of-arms of the Republic of Latvia.

Front cover: A Latvian folk dance troupe in front of the Monument of Liberty in Riga, 1990. *Photo:* G. Janaitis.

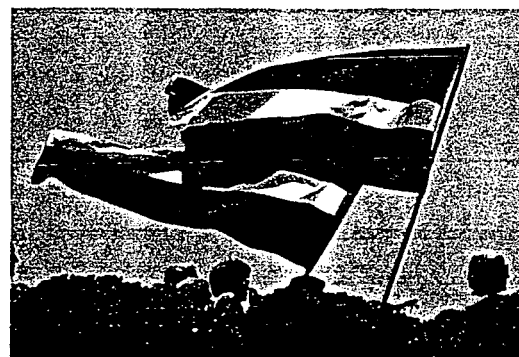
Back cover: European-Latvian folk dancers in Michigan. *Photo:* A. Urba.

Right: The National Colors of Latvia.

Below: North-central Europe.

REBIRTH

In August, 1991, the Supreme Council of the Republic of Latvia declared that Latvia would again be an independent, democratic republic. In the days that followed, a majority of western governments recognized the republic's independence, thus taking the greatest step yet toward ending half a century of the Soviet Union's tyrannical occupation of Latvia. Shortly after the coup, Moscow announced the formal recognition of Baltic independence as well.

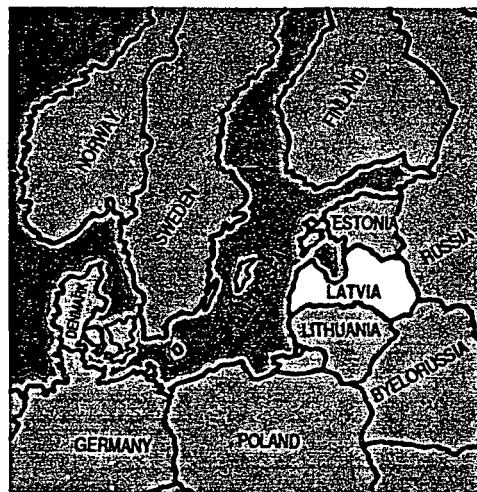


For most of the fifty years that Moscow ruled over Latvia, dissent from the political norm was strictly forbidden, and those who dared overstep the boundaries were dealt with harshly and swiftly. Courageous Latvian political dissidents spent long years — and often their last years — in concentration camps, prison cells, and psychiatric hospitals.

But in June, 1987, an openly anti-Soviet demonstration sponsored by the human rights group Helsinki '86 took place in the Latvian capital of Riga. Larger, follow-up demonstrations occurred in August and November. The latter event was suppressed by the KGB.

By 1988, the tidal wave of freedom had become too great to be contained. In July of that year, activists founded the Latvian National Independence Movement, and in October, the Popular Front of Latvia. Both were mass organizations openly opposed to Soviet rule in the Baltic States. Other significant human rights and political organizations soon followed. Hundreds of thousands of Latvians gathered at one major demonstration to re-establish the maroon-white-maroon national flag as their symbol. And on August 23, 1989, millions of Latvians, Lithuanians and Estonians joined hands in the unforgettable Baltic Way from Tallinn through Riga to Vilnius.

Elections which were held in the Baltic Republics in fall of 1989 and spring of 1990 unmistakably expressed



REPUBLIC OF LATVIA
LAW
ON THE BANK OF LATVIA

General Regulations

The Bank of Latvia is the central bank of the Republic of Latvia. The Bank of Latvia was established by a Republic of Latvia Supreme Council resolution on May 19, 1992. The Bank of Latvia is the Republic of Latvia Government and Supreme Council consultant in monetary and banking operation policies. The Bank of Latvia is the Republic of Latvia representative in foreign central banks and international monetary institutions.

The main objective of the Bank of Latvia is to realize monetary policy and to regulate the amount of money in circulation, in order to maintain price stability in the State.

The Bank of Latvia possesses the monopoly rights to issue the national currency, banknotes and coins as the only legal tender in the State. The Bank of Latvia determines the official exchange rate of the national monetary unit (the lat) against foreign currency.

The Bank of Latvia possesses its own reserves of freely convertible foreign currency, gold and securities in order to ensure the stability of the national currency.

The Bank of Latvia organizes and ensures the operation of account systems in Latvia. Account settlements between banks in the Republic of Latvia are accomplished by using these banks' correspondent accounts in the Bank of Latvia.

The Bank of Latvia issues licenses for the purchase and sale of foreign currency through entrepreneurial activities to commercial banks, credit institutions and other legal entities which are listed in the Republic of Latvia Register of Enterprises. The Bank of Latvia has the right to revoke the issued licenses, if the Bank of Latvia determined general procedures for purchase and sale or for the fulfillment of operations are violated.

The Bank of Latvia issues monthly and annual balance sheets corresponding to the forms used by the world's central banks.

Security and Reserve Regulations

The Bank of Latvia performs the (weekly) supervision and auditing of commercial banks and other credit institutions. The Bank of Latvia ensures that its issued compulsory regulations are executed. Based upon relevant statistical data, the Macroeconomic Analysis Service, in cooperation with the Bank of Latvia audit service, follows the activities of commercial banks in order to forecast possible deviations in their operation, which is then reported to the Bank of Latvia Council.

The reserve capital is established to cover possible losses by annually deducting 10% from the bank profit until it reaches 1/4 of the nominal capital. If the reserve capital is not sufficient to cover losses, then they are covered from the nominal capital. All commercial banks must deposit a certain percentage of their total fixed liability resources. Each type of credit institution has its own reserve percentage. The mandatory reserve percentage is determined by the Bank of Latvia Council. The manager of a commercial bank is personally responsible for his/her credit institution's reserve account. If the minimum reserve balance falls below the required level, the Bank of Latvia has the right to deduct a certain percentage from the unpaid sum.

BALTIC INTERNATIONAL BANK

ACCOUNT APPLICATION

Name:		SS Number:
Street Address:		Apt/Suite:
City / State / Zip Code:		
Home Phone:	Work Phone:	Initial Deposit: \$

Deposit Term (circle one) : 3 months 6 months 12 months 24 months

Interest Type (circle one): simple interest compound interest

Beneficiary Name: _____

Beneficiary Address: _____

For Baltic International Bank Use:

Account Number:	Interest Rate:
Interest per month: \$	Interest per term: \$
Opening Date:	Expiration Date:
I D Type:	I D Number:

Signature of Depositor: _____ Date: _____



Latvijas Banka

L I C E N C E

BANKAS OPERĀCIJU VEIKŠANAI Nr. 103

Izsniegta: Akciju sabiedrībai "BALTIJAS STARPTAUTISKĀ BANKA", kas atrodas Kr. Valdemāra ielā 63, Rīgā, Latvijas Republikā, un apliecina tiesības veikt sekojošas darbības latos un ārvalstu valūtās:

1. Noguldījumu operācijas.
2. Aizdevumu operācijas.
3. Bezskaidras naudas norēķinu operācijas.
4. Faktoringa un lizinga operācijas.
5. Korespondentattiecību nodibināšanu ar ārvalstu bankām "Nostro" un "Loro" kontu atvēršanu.
6. Vērtspapīru pirkšanu un pārdošanu.
7. Operācijas ar vērtspapīriem klientu uzdevumā.
8. Operācijas ar ārvalstu valūtām, izņemot valūtas pirkšanu un pārdošanu skaidrā naudā.
9. Lombarda operācijas, tajā skaitā, ņemot īpašā dārgmetālus, dārgakmeņus un to izstrādājumus.
10. Kases operācijas.

Licence izsniegta 1994.gada 4. martā.

Latvijas Bankas viceprezidents



I.Rimševičs

L I C E N C E

for banking operation execution Nr 103

Issued to: joint stock company "BALTIC INTERNATIONAL BANK", which is situated: 63 Kr.Valdemara street, Riga, Latvian Republic. This document authorizes bank to execute the following operations in Lats and in foreign currency:

1. Deposit operations.
2. Loan operations.
3. Settlement operations with non-cash money.
4. Leasing and factoring operations.
6. Establishing of correspondent banking relations with foreign banks, opening of "NOSTRO" and "LORO" accounts.
7. Operations with stocks under the client order.
8. Operations with foreign currency, excluding purchase and selling of foreign currency with cash money.
9. Pawnshop's operations, including: accepting of precious metals, precious stones and made of it articles in the form of pawn.
10. Cash operations.

License is issued on March 4, 1994.

Vice President of Bank of Latvia

I.Rimshevich

stamp

The Baltic Observer

June 10, 1994

Baltic International Bank Goes 'Gold'

(Staff Reporter)

Friday, June 2, was a golden day in more ways than one for the Baltic International Bank. Not only did they announce they would be issuing Visa gold cards to their clients from now on, but also the introduction of new "gold" secured savings and investment accounts.

Chairman of the Board, Valeri Belokon, told invited guests at a special announcement function at the Ridzene Hotel, Riga, "We have a deposit of gold currently on deposit in the Switzerland Bank. We will be using that deposit to secure investments and deposits from our clients."

"We believe that knowing we have a gold reserve will give depositors a greater feeling of security. Currencies have a tendency to drift in wide ranges of value, gold always seems to maintain a certain standard."

"It is not really any idea that came from the bank itself," Belokon said. "Here at the bank we look to the West for ideas, and we believe the time is ripe for us to invest in gold."

The other 'golden issue' announced on June 2 was that in the future the Baltic International Bank will be issuing gold Visa credit cards.

"The gold Visa is a widely accepted card," bank Vice President Vadim Pcholkin said. "As a rapidly growing organization we have attained certain privileges, and one of those is to be able to issue our own gold card. We are hoping that we will soon be able to form a gold card members' club and increase our credit card holders numbers."

The bank president (Belokon) also announced that it would soon be making two local moves, "We will be talking to the Bank of Latvia quite soon to see if we can arrange to have our gold deposits held here, in their bank, and we are looking forward to moving our offices into the former university building in Old Riga in September.

"The new gold security accounts and the move in September do have something in common," Belokon said. "Our gold bars will carry the logo of our bank, telling the world that we are really in business, and our new four story building in Old Riga will announce to Latvia that we are here to stay."

The Baltic Observer

October 13, 1994

Banking on Latvia - Banking in Latvia

By Ron A. Couch

Of the many things that have happened to the three Baltic Countries since the advent of independence, the one event that has really stood out is the emergence of the banking profession in all three countries.

The backbone of any economy, the finance institutions of Latvia, Estonia and Lithuania, have taken the brunt of establishing their newly independent countries in the markets of the world.

It has not been an easy road on which to walk. Naiveté in the harsh world of commerce, knowledge that was hidden from the populace under Soviet rule, lack of experience and lack of expertise in a fast paced world of financial wheeling and dealing, left the Baltic financial entrepreneurs playing a very serious game of catch-up.

They faced a tremendous challenge, and, in typical Baltic fashion, they met it head on and matched up with it. Without a doubt the financial professionals in the Baltics have shown they are, even though handicapped by 50 years of oppression, on a par with most other banking officials throughout the world.

In fact, in one basic way they are superior to a lot of their contemporaries... In the Baltics, the majority of the heads of financial institutions are considerably younger. Most are in their mid-thirties to mid-forties. All have the entrepreneurial gift. All have very modern ideas and all have driving ambitions to make their business among the best in the world.

It is not for nothing that many outside business people are beginning to refer to the Baltics in general, and Latvia in particular, as the up and coming new Switzerland, a new center for worldwide banking that links the East to the West.

The majority of these foreign business executives admire the skill with which the 'new' breed of bankers are handling themselves and their new responsibilities.

The Baltic Observer's man on the inside, Mr. Brown, is very upbeat about the banking situation in the Baltics. "We have a tremendous opportunity to really become a financial center," Mr. Brown said. "A lot of people have worked very hard to get this far in a very short period of time. Now we should be getting ready to capitalize on their efforts. The banking situation in the Baltics is solid. The cry worldwide will soon be bank in the Baltics, bank in the Baltics."

BALTIC INTERNATIONAL BANK

DEPOSIT AGREEMENT

291040

Baltic International Bank, its primary location being 43 Kaleju Street, Riga, Latvia, (hereinafter referred to as "Bank"), represented by its Vice President Vadim Pcholkov, operating on the basis of statute, and Mr. Doug Mercurio of 190 Lisle Street, Braintree, MA 02184, (hereinafter referred to as "Depositor"), mutually agree to the following terms and conditions:

Depositor agrees to transfer to the Bank temporary available financial resources, (deposit) in the amount of \$ _____ for a term of _____ months. Depositor is to transfer to the Bank the deposit amount specified upon the execution of this Deposit Agreement. Upon the expiration of the deposit term, Depositor is provided the option to either withdraw the deposit or to extend the deposit term. Such extension of deposit term may only be enacted upon the consent of the Bank. Depositor is entitled to receive interest payments monthly (simple interest) within the deposit term, or one interest payment upon deposit term expiration (compound interest). Having been provided with the option of compound or simple interest payments, Depositor's selection is _____ interest. Having selected deposit program number _____, interest is calculated at an annual rate of _____ %.

Bank agrees to keep the deposit in an account number to be determined. An account will not take effect until such time as a deposit is received from the Depositor. Once an account and account number have been established, Bank will notify Depositor, within five business days, via United States mail. Bank is entitled to dispose of deposit within the deposit term at Bank's discretion. Bank is entitled to utilize the deposit as loan resources on behalf of the Bank.

Simple interest is to be paid each month, on the anniversary date of the deposit, until the completion of the deposit term. Compound interest is to be paid in full, upon the completion of the deposit term. At deposit term expiration, Bank is to recompense Depositor the amount of initial deposit. Bank guarantees confidentiality of deposit and Depositor.

Depositor is entitled to withdraw deposit prior to the expiration of the deposit term, provided the Depositor adheres to and comprehends the following conditions: (1) Depositor must inform Bank, in writing, 14 days prior to early withdrawal, (2) Deposits with a term of less than 6 months do not qualify for early withdrawal, (3) Deposits which are prematurely withdrawn between a period of six and nine months subsequent to the initiation of account will be paid at an annual rate of 2%; nine months or more will be paid at an annual rate of 3%.

In the event of the Depositor's demise, deposit and interest are transferred to Beneficiary. Said Beneficiary must present Death Certificate of Depositor, along with valid identification. In the event of Depositor's divestiture of physical, mental or legal competence, (said incompetence having been ruled by court decision), the entitlement of the Deposit Agreement is transferred to the person or entity designated by the court.

Baltic International Associates acts solely as an advertising, publicity, telephone response and mailing source for Baltic International Bank.

My signature below certifies that I, Mr. Doug Mercurio have read, understand and agree to the conditions of deposit as set forth by Baltic International Bank.

Signature of Depositor _____

Date _____

Memorandum



To : SAC File (272B-New)

Date 6/9/95

From : SSA [redacted]

29-

(serial # is mandatory when control file is used)

Subject [redacted]

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1. Source of Captioned Matter: Baltic Associates, Inc.
Baltic International Bank; FIF
00. BS.
- ☒ A: Federal Supervisory Agency written referral
☐ B: Financial Institution written referral
☐ C: Other

2. Name of Victim Financial Institution: Unknown

3. State Victim Institution Located: (two letter identifier) _____

4.1 Type of Victim Institution:

4.2 Regulating Agency:

- ☐ A: Bank
☐ B: Savings Bank or Association
☐ C: Credit Union
☐ D: Farm Credit Institution
☒ E: Other

- ☐ A: FDIC
☐ B: OCC
☒ C: FRB
☐ D: OTS
☐ E: NCUA
☐ F: Farm Credit Administration

5.1 Type of loss:

5.2 Nature of fraud

- ☐ A: Internal
☐ B: External
☐ C: Combination
☒ D: Unknown

- ☐ A: Defalcation/Embezzlement
☐ B: False Statement
☐ C: Check Kite
☐ D: Fraudulent/Counterfeit Check
☐ E: Mortgage/Loan
☐ F: Credit Card/ATM
☐ G: Bank Bribery
☒ H: Currency Transactions/Money Laundering
☐ I: Mysterious Disappearance
☐ J: Other

6. Amount of Reported Loss (before restitution, if any) Unknown

7. Action taken:

- ☒ A: case opened/reopened
☐ B: incorporated into pending investigation
☐ C: no action due to state or local prosecution
☐ D: amount of loss does not meet prosecutive guidelines
☐ E: Federal violation is handled by another Federal agency or FBI squad
☐ F: matter presented to USA and prosecution declined
☐ G: investigation unaddressed - lack of resources
☐ H: FIF within FBI's jurisdiction; referred to USSS
☐ I: no apparent Federal Violation

29B-BS-79465
 272B-BS-710926

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SERIALIZED	FILED
JUN 8 1995	
FBI - BOSTON	

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Memorandum



To : SAC, BOSTON (272B-NEW)

Date 6/13/95

From : SA [REDACTED]

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Subject: [REDACTED]

BALTIC INTERNATIONAL ASSOCIATES -
BALTIC INTERNATIONAL BANK;
MONEY LAUNDERING;
OO: BOSTON



Attached is Criminal Referral Form prepared by the
Federal Reserve, dated 6/6/95.

Background investigation on captioned subjects and
entities through public information sources have revealed the
following:

[REDACTED]

[REDACTED]

[REDACTED]

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Investigation in Boston is continuing

2 - Boston

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29 B-B-79465-4

272B-15-76825

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[REDACTED]

4

United States District Court

DISTRICT OF MASSACHUSETTS

TO:

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

Receptionist - 10th Floor
John W. McCormack Post Office and Courthouse
Devonshire Street
Boston, Massachusetts 02109

COURTROOM

Grand Jury

DATE AND TIME

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

ROBERT E. SMITH, JR.

DATE

June 29, 1995

This subpoena is issued on application
of the United States of America

DONALD K. STERN
UNITED STATES ATTORNEY

NAME, ADDRESS AND PHONE NUMBER OF

Assistant United States
1003 J.W. McCormack Post
Devonshire Street
Boston, MA 02109

NEY

Courthouse

*If not applicable, enter "none"

2723-B5-76926-3X
29R-B5-09465-5

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RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 7/5/95	PLACE BOSTON, MA
SERVED	DATE 7/5/95	PLACE
SERVED ON (NAME) 		
SERVED BY 		
TITLE SPECIAL AGENT, FBI		
STATEMENT OF SERVICE FEES		
TRAVEL	SERVICES	TOTAL
DECLARATION OF SERVER (2)		
I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct. Executed on <u>7/5/95</u> Date ONE CENTER PLAZA, STE. 600, BOSTON, MA Address of Server 02108		
ADDITIONAL INFORMATION		

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(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

Memorandum



To : SAC, BOSTON (272B-BS-76926) (P) (C-11) Date 7/13/95

From : SA [redacted]

Subject: [redacted]

BALTIC INTERNATIONAL ASSOCIATES;
FINANCIAL INSTITUTION FRAUD;
OO: BOSTON

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Reference letter from [redacted] dated 7/10/95 with [redacted]

For information of the file, it is reported that [redacted]
[redacted] writer spoke [redacted]

[redacted] on instant date regarding the [redacted]
[redacted] Writer requested that [redacted]

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2 - Boston
(2)



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FBI - BOSTON	

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(Indicate page, name of newspaper, city and state.)

(Mount Clipping in Space Below)

Date: 7/6/95

Edition: "LEXINGTON MINUTEMAN"

Title:

Character:

or

Classification:

Submitting Office:

272B-BS-76926

Indexing:

X

Baltic International Bank**Short Term High Interest
Pure and Simple***

Minimum Deposit	Deposit Term	Annual Rate	Annual Yield
\$ 5,000	3 - 5 Months	10 %	10.47 %
\$ 5,000	6 - 11 Months	11 %	11.57 %
\$ 5,000	12 - 24 Months	12 %	12.68 %
\$ 10,000	3 - 5 Months	12 %	12.68 %
\$ 10,000	6 - 11 Months	13 %	13.80 %
\$ 10,000	12 - 24 Months	14 %	14.93 %

**Why Settle For Less?****617-261-1833**

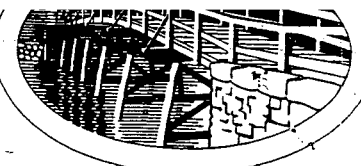
* Terms, conditions and interest rates specified are current as of July 6, 1995. Interest rates specified are annual interest rates, and will be compounded accordingly. Substantial penalties for early withdrawal. Baltic International Bank is licensed by the Central State Bank of Latvia, the bank of Latvia.

29B-BS-79465 - 7
272B-BS-76926-5

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THE CONCORD JOURNAL

**Square, contra dancing at
Concord's Scout House**
New England square and contra dancing takes
place from 7:30-10:30 p.m., Monday, July 17 at Scout

Business Network to meet
The Business Network will kick off a new Concord
chapter at 7 a.m., Wednesday, July 19 at the Colonial
Inn, 48 Monument Square. Patti Salvucci will discuss

Concord Band to perform
The Concord Band will perform at 7:30 p.m.,
Thursday, July 20 at Fruitlands Museum, 102
Prospect Hill, Harvard. The band will shine its spotlight

Tenor saxophonist George Coleman will open the Jazz at DeCordova Series at 2 p.m.,
Sunday, July 16 at the DeCordova Museum, 51 Sandy Pond Road, Lincoln. The perfor-
mance will take place in the outdoor amphitheater. Advance tickets are \$19 for
adults, \$16 for children; \$20 at the performance; children under 6 admitted free.



Rosie's
BAKERY

Cambridge
617 491-9488

Chestnut Hill
617 277-5629

Burlington Mall
617 229 0093

Please Call For An Appointment

Baltic International Bank

*Short Term High Interest
Pure and Simple**

Minimum Deposit	Deposit Term	Annual Rate	Annual Yield
\$ 5,000	3 - 5 Months	10 %	10.47 %
\$ 5,000	6 - 11 Months	11 %	11.57 %
\$ 5,000	12 - 24 Months	12 %	12.68 %
\$ 10,000	3 - 5 Months	12 %	12.68 %
\$ 10,000	6 - 11 Months	13 %	13.80 %
\$ 10,000	12 - 24 Months	14 %	14.93 %



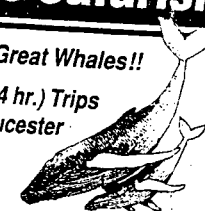
Why Settle For Less?
617-482-4343



* Terms, conditions and interest rates specified are current as of July 13, 1995. Interest rates specified are annual interest rates, and will be compensated accordingly. Substantial penalties for early withdrawal. Baltic International Bank is licensed by the Central State Bank of Latvia, the bank of Latvia.

Whale Safaris!

- ★ See The Great Whales!!
- ★ Half Day (4 hr.) Trips From Gloucester
- ★ Free Brochure



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20'x20' CANOPY For Only \$150.00

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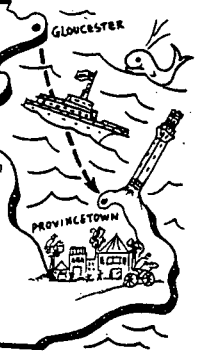
Other Sizes Also Available CALL (617) 933-3268

FLY TO CAPE COD BY BOAT!

Take a 2-1/2 hour
cruise to Provincetown.
Spend 4 hours ashore
exploring, and on our return
trip we visit the famous
whales of Stellwagen Bank.
Most trips sell out -
reservations required.

508-283-5110

Gloucester to
Provincetown
BOAT EXPRESS



(Indicate page, name of
newspaper, city and state.)

(Mount Clipping in Space Below)

Date: 7/13/95
Edition: "THE CONCORD JOURNAL"

Title:

Character: 272B-B5-76926
or
Classification:
Submitting Office:

Indexing:

(X)

29B-B5-79465-7
272B-B5-76926-5

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JUL 21 1995		
FBI - BOSTON		

[redacted]
272B-BS-76926

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The following investigation was conducted by SA [redacted]
[redacted] on 7/19/95. [redacted] provided a [redacted] license,
number [redacted] for the opening of the account at Bay Bank
For Baltic International/Baltic International Associates on
9/14/94. Query of the [redacted] revealed that
instant license number was issued to [redacted] on
12/16/92, with an expiration of [redacted]. The residence was
listed as [redacted]. Date of
birth and social security account number data for [redacted] was
listed as [redacted] respectively. Investigating
agent requested a photograph of [redacted] which is to be
forthcoming.

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~~272B-BS-76926~~

SEARCHED	[redacted]	[redacted]
SERIALIZED	[redacted]	[redacted]
JUL 20 1995		
FBI - BOSTON		

[redacted]

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Memorandum



To : SAC, BOSTON (272B-BS-76926) (P) (C-11) Date 7/11/95

From : SA [REDACTED]

b6
b7C

Subject: [REDACTED]

BALTIC INTERNATIONAL BANK;
FINANCIAL INSTITUTION FRAUD -
MONEY LAUNDERING;
OO: BOSTON

Attached is a copy of an advertisement that appeared in the 6/29/95 edition of the "Lexington Minuteman" newspaper.

The purpose of this memorandum is [REDACTED]

b7E

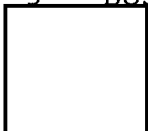
Baltic International Bank maintains an office at 303 Congress Street and claims to be affiliated with Baltic International Bank in Latvia. Baltic has been active since late 1994 in soliciting cash deposits. Baltic is neither licensed nor authorized by regulatory agencies to conduct this type of business activity. [REDACTED] was informed of this fact through [REDACTED] inquiry of the Massachusetts Division of Banks. Despite this notification, [REDACTED] continues to solicit deposits.

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Captioned case was developed through liaison with the Federal Reserve in both Boston and Washington, DC. Though at an early stage of investigation, [REDACTED]

b3
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b7E

3 - Boston
(3)



29B-BS-1440-9
272B-BS-76926-7

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 21 1995	
FBI - BOSTON	

b6
b7C
b7C

Memorandum



To : SAC, BOSTON (272B-BS-76926) (P) (C-11) Date 7/21/95

From : SA [redacted]

b6
b7C

Subject: [redacted]

BALTIC INTERNATIONAL/
BALTIC INTERNATIONAL ASSOCIATES;
FINANCIAL INSTITUTION FRAUD -
MONEY LAUNDERING;
OO: BOSTON

On instant date, writer spoke with [redacted]
[redacted] Federal Reserve Bank of Boston.
[redacted] advised she met a representative from the Massachusetts
Division of Banks at a meeting and just mentioned Baltic in
conversation. [redacted] stated that she was told there have been
two recent public inquiries concerning Baltic International as a
result of their advertisements in local newspapers. One of them
was received directly on the consumer line of the Division of
Banks. The other inquiry was made through the Secretary of
State's Office. As a result of these inquiries, the Division of
banks sent examiners, [redacted] and [redacted] on 7/14/95
to interview [redacted] at Baltic's new address at 10 Post Office
Square in order to evaluate the operation. [redacted] reportedly told
the examiners that Baltic is targeting the Russian community in
Boston and that only 8 checks have actually been received [redacted]
[redacted] for deposit which [redacted] has forwarded to the Bank of New
York. [redacted] stated that records of Baltic were not examined.
A subsequent discussion ensued within the Division of Banks as to
whether Baltic should be registered, et cetera. [redacted]
informed the representative with whom she spoke that, in a
general sense, she has been coordinating with a law enforcement
group regarding Baltic and that there is some preliminary
interest in them. Accordingly, [redacted] requested that
immediate action not be taken and that she would be in contact
with the Division of Banks to keep abreast of any new
developments.

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2 - Boston
[redacted] (2)

29B-BS-79465-10

272B-76926-8

SEARCH SERIALIZED	INDEX FILED
JUL 21 1995	
FBI BOSTON	

[redacted]

b6
b7C

Memorandum



To : SAC, BOSTON (272B-BS-76926) (P) (C-11) Date 7/14/95

From : SA [REDACTED]

b6
b7C

Subject: [REDACTED]

BALTIC INTERNATIONAL -
BALTIC INTERNATIONAL ASSOCIATES;
FINANCIAL INSTITUTION FRAUD -
MONEY LAUNDERING;
OO: BOSTON

For information of the file, it is reported that [REDACTED]

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b3

2 - Boston
[REDACTED]

29B-BS-79465-11

272B-BS-76926

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 20 1995	
FBI - BOSTON	

[REDACTED]

b6
b7C



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Suite 600 One Center Plaza
Boston, Massachusetts 02108
August 8, 1995



RE: Baltic International Bank

Dear Sir,

This is to confirm the conversation yesterday between [redacted] and Special Agent [redacted] regarding Baltic International Bank (Baltic). We understand the concern of the Division of Banks as to the activities of Baltic in view of consumer inquiries and the like.

Our office has an investigative interest in Baltic that is in its early stages. Accordingly, we request that the Commission defer any regulatory action against Baltic, if possible, for a period of sixty (60) days to allow us to determine the scope of its operation. Information developed through investigation to date coincides with that obtained by your staff in that deposit activity by individuals in the Boston area appears to be minimal at this time. If you have any questions concerning this matter, please contact Special Agent [redacted] at (617) 223-6380.

Sincerely,

RICHARD S. SWENSEN
Special Agent In Charge

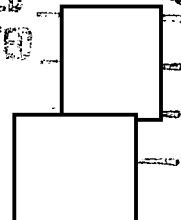
By: [redacted]
Supervisory Special Agent

1 - Addressee
1 - Boston (272B-BS-76926)
(2)

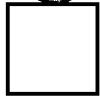


272B-BS-76926-12

SEARCHED
SERIALIZED
INDEXED
FILED



b6
b7C



b6
b7C

b6
b7C

Memorandum



To : SAC, BOSTON (272B-BS-76926) (P) (C-11) Date 7/27/95

From : SA [REDACTED]

b6
b7C

Subject: [REDACTED]

BALTIC INTERNATIONAL/BALTIC
INTERNATIONAL ASSOCIATES;
FIF; MONEY LAUNDERING;
OO: BOSTON

For information of the file, it is reported that
writer met with Assistant United States Attorney (AUSA) [REDACTED]
[REDACTED]

b5
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b7C

It was agreed that the following investigative
procedures would be applied:

b5
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b7E

2 - Boston
[REDACTED] (2)

65-13

272B-BS-76926

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 27 1995	
FBI - BOSTON	

[REDACTED]

b6
b7C

It is intended for this investigation to demonstrate within 30 - 60 days whether or not this case is an example of the Glass-Steigle Act violation or part of a more broad based money laundering scheme. [REDACTED]

[REDACTED]

b5
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b7C

United States District Court

DISTRICT OF MASSACHUSETTS

TO:

b3

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

Receptionist - 10th Floor
John W. McCormack Post Office and Courthouse
Devonshire Street
Boston, Massachusetts 02109

COURTROOM

Grand Jury

DATE AND TIME

b3
b6
b7C

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

ROBERT J. SMITH, JR.

DATE

August 14, 1995

b6
b7C

This subpoena is issued on application
of the United States of America

DONALD K. STERN
UNITED STATES ATTORNEY

NAME, ADDRESS AND PHONE NUMBER OF

ORNEY

Assistant United States Attorney
1003 J.W. McCormack Post Office & Courthouse
Devonshire Street
Boston, MA 02109

*If not applicable, enter "none"

29B-B5-79465-14
29B-B5-79465-14

RETURN OF SERVICE (1)		
RECEIVED BY SERVER	DATE	PLACE
SERVED	DATE	PLACE
SERVED ON (NAME)		
SERVED BY		TITLE
STATEMENT OF SERVICE FEES		
TRAVEL	SERVICES	TOTAL
DECLARATION OF SERVER(2)		
I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct. Executed on _____ <i>Date</i> <i>Signature of Server</i> _____ <i>Address of Server</i>		
ADDITIONAL INFORMATION		

b7E

- (1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.
- (2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

United States District Court

DISTRICT OF MASSACHUSETTS

TO:

b3

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

Receptionist - 10th Floor
John W. McCormack Post Office and Courthouse
Devonshire Street
Boston, Massachusetts 02109

COURTROOM

Grand Jury

DATE AND TIME

b3
b6
b7C

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

ROBERT J. SMITH, JR.

DATE

August 14, 1995

b6
b7C

This subpoena is issued on application
of the United States of America

DONALD K. STERN
UNITED STATES ATTORNEY

NAME, ADDRESS AND PHONE NUMBER OF

TORNEY

Assistant United States Attorney
1003 J.W. McCormack Post Office & Courthouse
Devonshire Street
Boston, MA 02109

15

*If not applicable, enter "none"

29B-15-7465-15
[Handwritten signature]

United States District Court

DISTRICT OF MASSACHUSETTS

TO:

b3

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE Receptionist - 10th Floor
John W. McCormack Post Office and Courthouse
Devonshire Street
Boston, Massachusetts 02109

COURTROOM

Grand Jury

DATE AND TIME

b3
b6
b7C

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

ROBERT J. SMITH, JR.

DATE

August 14, 1995

b6
b7C

This subpoena is issued on application
of the United States of America

DONALD K. STERN
UNITED STATES ATTORNEY

NAME, ADDRESS AND PHONE NUMBER OF

ATTORNEY

Assistant United States Attorney
1003 J.W. McCormack Post Office & Courthouse
Devonshire Street
Boston, MA 02109

*If not applicable, enter "none"

27B-BS-70026-114
29B-BS-79465-10

RETURN OF SERVICE (1)		
RECEIVED BY SERVER	DATE	PLACE
SERVED	DATE	PLACE
SERVED ON (NAME)		
SERVED BY		TITLE
STATEMENT OF SERVICE FEES		
TRAVEL	SERVICES	TOTAL
DECLARATION OF SERVER (2)		
I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct. Executed on _____ <i>Date</i> <i>Signature of Server</i> _____ <i>Address of Server</i>		
ADDITIONAL INFORMATION		

b7E

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

United States District Court

DISTRICT OF MASSACHUSETTS

TO:

b3

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE Receptionist - 10th Floor
John W. McCormack Post Office and Courthouse
Devonshire Street
Boston, Massachusetts 02109

COURTROOM

Grand Jury

DATE AND TIME

b3
b6
b7C

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

ROBERT J. SMITH, JR.

DATE

August 14, 1995

b6
b7C

This subpoena is issued on application
of the United States of America

DONALD K. STERN
UNITED STATES ATTORNEY

NAME, ADDRESS AND PHONE NUMBER OF

ATTORNEY

Assistant United States Attorney
1003 J.W. McCormack Post Office & Courthouse
Devonshire Street
Boston, MA 02109

*If not applicable, enter "none"

22 BS-76920-1517
21B-BS-79465-17

RETURN OF SERVICE (1)		
RECEIVED BY SERVER	DATE	PLACE
SERVED	DATE	PLACE
SERVED ON (NAME)		
SERVED BY		TITLE
STATEMENT OF SERVICE FEES		
TRAVEL	SERVICES	TOTAL
DECLARATION OF SERVER(2)		
I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct. Executed on _____ <i>Date</i> <i>Signature of Server</i> _____ <i>Address of Server</i>		
ADDITIONAL INFORMATION		

b7E

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United States District Court

DISTRICT OF MASSACHUSETTS

b3

TO:

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

Receptionist - 10th Floor
John W. McCormack Post Office and Courthouse
Devonshire Street
Boston, Massachusetts 02109

COURTROOM

Grand Jury

DATE AND TIME

b3
b6
b7C

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

ROBERT J. SMITH, JR.

DATE

August 14, 1995

b6
b7C

This subpoena is issued on application
of the United States of America

DONALD K. STERN
UNITED STATES ATTORNEY

NAME, ADDRESS AND PHONE NUMBER OF

ORNEY

Assistant United States Attorney
1003 J.W. McCormack Post Office & Courthouse
Devonshire Street
Boston, MA 02109

*If not applicable, enter "none"

272-BS-76926-10
29B-B5-79465-18

RETURN OF SERVICE (1)		
RECEIVED BY SERVER	DATE	PLACE
SERVED	DATE	PLACE
SERVED ON (NAME)		
SERVED BY		TITLE
STATEMENT OF SERVICE FEES		
TRAVEL	SERVICES	TOTAL
DECLARATION OF SERVER (2)		
I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct. Executed on _____ <i>Date</i> <i>Signature of Server</i> _____ <i>Address of Server</i>		
ADDITIONAL INFORMATION		

b7E

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 8/18/95

TO : ADIC, NEW YORK
FROM : SAC, BOSTON (272B-BS-76926) (P) (C-11)
SUBJECT :

BALTIC INTERNATIONAL BANK;
FIF - MONEY LAUNDERING;
OO: BOSTON

Enclosed for receiving offices are Federal Grand
(FGJ) Subpoenas for service at

For information purposes, Baltic International/
Baltic International Associates maintains an office in Boston
and advertises short term/high interest deposits in local
newspapers. Analysis of subject's local bank account activity
indicates that during the first nine months of operation,
(9/94-6/95), the majority of funds flowing into the account,
(some \$660,000), are wire transfers originating from the Bank
of New York and disbursed through other banks and entities.
This operation is unlicensed and unauthorized to conduct such
banking activity in Massachusetts and has been so informed by
the State Banking Commission.

- 2 - Baltimore (Wilmington RA)
- 2 - Los Angeles
- 2 - New York
- 1 - Boston

 (7)

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b3

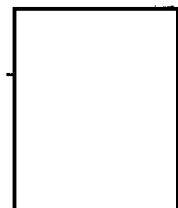
b6
b7C

Approved: _____

Transmitted _____

(Number) (Time)

Per _____



LEADS:

BALTIMORE DIVISION, WILMINGTON RESIDENT AGENCY
At New Castle, Delaware

Wilmington Trust.

LOS ANGELES DIVISION
At Chatsworth, California

Great Western Bank.

NEW YORK DIVISION
At New York City, New York

Bank of New York,

Bankers Trust Company,

Chase Manhattan Bank.

FBI

TRANSMIT VIA:

☐ Teletype
☒ Facsimile
☐ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 8/31/95

b6
b7C

TO:

STON (272B-BS-76926) (C-11)

NEW YORK (272B-BS-R-76926) (RUC) (C-1)

FROM:

BALTIC INTERNATIONAL BANK;
 FIF - MONEY LAUNDERING;
 OO: BOSTON

Re BSairtel to NY dated 8/18/95.

Enclosed for BS are three original executed
 subpoenas and the original and three copies of their 302's.

b6
b7C

2 - Boston (272B-BS-76926) (Enc. 15)
 1 - New York (272B-BS-R-76926)

(3)

SSA

298-BS-79465-50
 298-BS-79465-18

with all enclosures

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 12 1995	
FBI - BOSTON	

Approved: _____

Transmitted _____

(Number) (Time)

Per _____

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/31/95

b3
b6
b7C

Investigation on 8/29/95 at NEW YORK, NEW YORK File # 272B-BS-76926

by IA [redacted] Date dictated 8/31/95

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/31/95b3
b6
b7C

Investigation on 8/29/95 at NEW YORK, NEW YORK File # 272B-BS-76926

by IA [REDACTED] Date dictated 8/31/95

b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/31/95

[Redacted]

b3
b6
b7C

Investigation on 8/29/95 at NEW YORK, NEW YORK File # 272B-BS-76926

by IA [Redacted] Date dictated 8/31/95

b6
b7C

(03/31/95)

FEDERAL BUREAU OF INVESTIGATION

C-11

Precedence: ROUTINE

Date: 08/25/1995

To: BOSTON

From: BALTIMORE

SQUAD 17, WRA

Contact: [REDACTED] (302) 658-4391

b6
b7C

Approved By: [REDACTED]

Drafted By: [REDACTED]

File Number(s): 272B-BS-76926 (Referred Upon Completion)

Title: [REDACTED]

BALTIC INTERNATIONAL BANK;
FIF - MONEY LAUNDERING;
OO: BOSTON

[REDACTED]

Synopsis: [REDACTED]

b3
b6
b7C

Reference: Boston airtel to ADIC, New York, dated 8/18/95.

Enclosures: Executed Federal Grand Jury Subpoena.

Details: [REDACTED]

[REDACTED]

♦♦ Delaware.

29B-BS-79465-21
272B-BS-76926-19

SEARCHED	SERIALIZED
AUG 31 1995	
FBI - BOSTON	

b6
b7C

United States District Court

DISTRICT OF MASSACHUSETTS

TO:

b3

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

Receptionist - 10th Floor
John W. McCormack Post Office and Courthouse
Devonshire Street
Boston, Massachusetts 02109

COURTROOM

Grand Jury

DATE AND TIME

b3
b6
b7C

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

☐ Please see additional information on reverse

272B-B5-79465-23

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

ROBERT E. SMITH, JR.

SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

NAME, ADDRESS AND PHONE NUMBER

Assistant United
1003 J.W. McCorm
Devonshire Street
Boston, MA 02109

95

b6
b7C

COURNEY

Courthouse

This subpoena is issued on application
of the United States of America

DONALD K. STERN
UNITED STATES ATTORNEY

RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 7/5/95	PLACE BOSTON, MA
SERVED	DATE 7/5/95	PLACE [Redacted]
SERVED ON (NAME) [Redacted]		
SERVED BY [Redacted]		TITLE SPECIAL AGENT, FBI
STATEMENT OF SERVICE FEES		
TRAVEL	SERVICES	TOTAL

b3
b6
b7Cb6
b7C

DECLARATION OF SERVER (2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service is true and correct.

Executed on 7/5/95
Date

ONE CENTER PLAZA, STE. 600, BOSTON, MA
Address of Server

02108

b6
b7C

ADDITIONAL INFORMATION

[Redacted]

b7E

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)."



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Suite 600 One Center Plaza
Boston, Massachusetts 02108
October 11, 1995



b6
b7C

RE: Baltic International Bank

Dear Sir,

This is to confirm the conversation today between [redacted]
[redacted] and Special Agent [redacted]
regarding Baltic International Bank (Baltic). We understand the
concern of the Division of Banks as to the activities of Baltic
in view of consumer inquiries and the like. (X)

Our office has an investigative interest in Baltic that is in its
early stages. Accordingly, we request that the Commission defer
any regulatory action against Baltic, if possible, for a period
of sixty (60) days to allow us to determine the scope of its
operation. Information developed through investigation to date
coincides with that obtained by your staff in that deposit
activity by individuals in the Boston area appears to be minimal
at this time. If you have any questions concerning this matter,
please contact Special Agent [redacted] at (617) 223-6380.

b6
b7C

Sincerely,

RICHARD S. SWENSEN
Special Agent In Charge

By: [redacted]
Supervisory Special Agent

1 - Addressee
1 - Boston (272B-BS-76926)
[redacted] (2)

272B-BS-76926
29B-BS-79465-24
SEARCHED
SERIALIZED
INDEXED
FILED
10/11/95

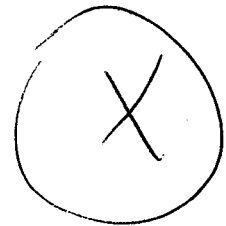
b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/20/95

On 10/18/95 SA [redacted]
[redacted] made a telephone call to BALTIC BANK to
speak to a sales representative about investing money in
certificate of deposits (CD's). SA [redacted] was advised that
[redacted] was the sales representative in Boston but is
unavailable at this time. [redacted]
[redacted]

b6
b7C
b7ESEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

Investigation on 10/18/95 at Boston, MA File # 29B-B5-79465-25
272B-BS-76926
by SA [redacted] Date dictated 10/20/95

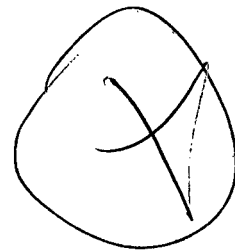
b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/20/95

On 10/19/95 at approximately 11:50 am SA [redacted] telephonically contacted [redacted] sale representative for BALTIC BANK, to inquire about investing money in term rate deposits at the bank. [redacted] advised that term rate deposits are available at the Boston office with rates ranging from 10% to 14% depending on amount of investment and the terms start at 3 months with a \$5,000 minimum. [redacted] further advised that the deposits are not FDIC insured but the Boston office has been operating for 14-15 months without any problems. [redacted] advised that the Boston office is located at 10 Post Office Square. [redacted] agreed to meet with SA [redacted] the following week. [redacted]

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SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

Investigation on 10/19/95 at Boston, MAFile # 29B-B5-79465-26 272B-B5-76926

by SA [redacted]

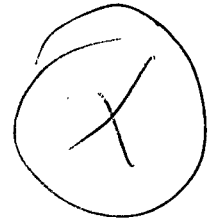
Date dictated 10/20/95b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/30/95

On 10/25/95 SA [redacted] met with [redacted] at the office of BALTIC INTERNATIONAL BANK (BIT) located at 10 Post Office Square, Boston, MA. The purpose of the meeting was to get information from [redacted] for making a deposit at BIT in Boston. BIT has advertised high rates of return for time deposits in local papers. [redacted] provided SA [redacted] with information and literature on BIT. SA [redacted]

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Investigation on 10/25/95 at Boston, MA File # 29B-BS-79 26
272B-BS-76926

by SA [redacted] Date dictated 10/30/95

b6
b7C

(03/31/95)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 10/30/1995

To: Boston

Attn: SAC

From: Los Angeles

Squad WCC1

Contact: SA [redacted] ext. 3954

b6
b7C

Approved By: [redacted]

Drafted By: [redacted]

File Number(s): (272B-BS-76926) (Referred Upon Completion)

Title: [redacted]

BALTIC INTERNATIONAL BANK;
FIF - MONEY LAUNDERING;
OO: BOSTON

ARMED AND DANGEROUS

Synopsis: Subpoena served [redacted]

b3

Enclosures: Enclosed for Boston in a 1A envelope is a copy of the Federal Grand Jury subpoena served [redacted]
[redacted]

Details: For information of receiving office [redacted]
[redacted]

was served with the original Federal Grand Jury subpoena, regarding captioned matter.

CC: ② - Boston
2 - Los Angeles

♦♦

29
29B-BS-79465-29

~~272B-BS-76926-27~~

(06/01/1995)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 10/27/1995

To: FBIHQ

Attn: SAC

SAC, [REDACTED]

[REDACTED] BOSTON

1

Approved By: SSA [REDACTED]

Drafted By: SA [REDACTED]

Case ID #: [REDACTED]

Title: [REDACTED]

BALTIC INTERNATIONAL BANK;
FINANCIAL INSTITUTION FRAUD;
OO:BOSTON

[REDACTED]
OO:FBIHQ

Reference: BS telcall to SA [REDACTED] on instant date and
AT fax to Boston dated 10/13/95.

Details: For the information of [REDACTED] Boston is in the preliminary stages of investigation of captioned institution. Baltic International maintains an office in Boston and advertises term deposits at rates of 10% - 14% on terms of three to twenty-four months. Baltic is unlicensed and thus unauthorized to conduct banking business, having received such notification from the Massachusetts Commissioner of Banks. It is suspected that Baltic is merely a front for a larger money laundering operation or part of a Ponsi scheme.

[REDACTED]
Boston requests that [REDACTED]

~~272-B5-10106~~
29B-B5-79465-31

300 [REDACTED] 01. E b6
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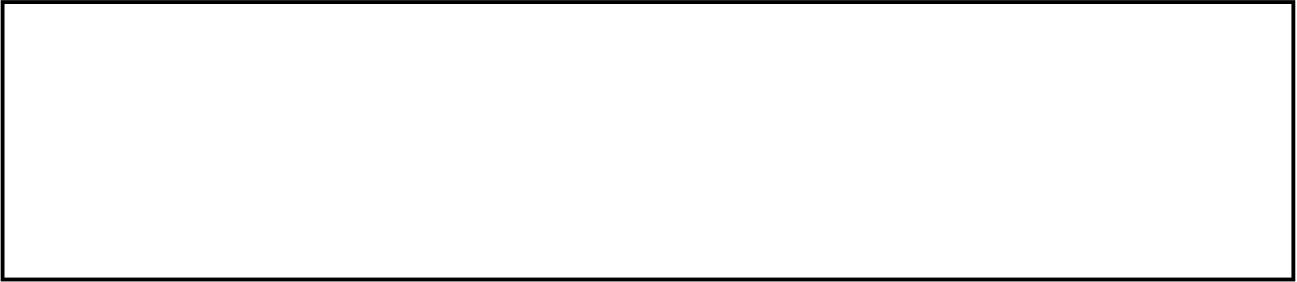
b6
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To: FBIHQ From: SAC, BOSTON
Re: 10/27/1995



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b7E

♦♦

FEDERAL BUREAU OF INVESTIGATION

Precedence: Routine

Date: 11/10/1995

To: Boston

Attn: [REDACTED]

b6
b7C

From: Butte Information Technology Center (ITC) -
Investigative Information Services Center (IISC)

Contact: [REDACTED] Phone #: 406 496-3816

Approved By: [REDACTED]

Drafted By: [REDACTED]

File Number(s): 272B-BS-76926 (Pending)

Title: [REDACTED]

RECORD #90180

Synopsis: Attached are copies of printouts setting forth results of inquiries conducted by the IISC. Also attached is a copy of an accomplishment/reply form. It is requested that you record the IISC accomplishments on this form and return it to the IISC. Please maintain an additional copy with the computer printouts as a serial in your case file.

Details: The following results are attached for your review: the SSAN was issued in 1980 in the State of MA associated to your Subject.

(X)

♦♦
CC: 1 - ~~272 Special Agent Supervisor~~

1 - [REDACTED]

Note: Copy forwarded to Case Agent via fedex on 11/13/95.

b6
b7C

29B-BS-76926-32

272B-BS-76926-32

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 14 1995	
FBI - BOSTON	

[REDACTED]



INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Butte Information Technology Center
400 North Main Street, Room #115
Butte, Montana 59701

- ▷ Commercial Telephone: (406) 782-2304
- ▷ FTS: 700-585-2391 ▷ FAX: (406) 782-9504, 782-9507 & 782-7418
- ▷ Secure FAX & STU III: (406) 782-2304, Ext. 26

TO: FBI, BUTTE INFORMATION TECHNOLOGY CENTER

Date: 9/27/95

Forfeiture ☐ Requestor ☐

Type of Request: ☒ FAX ☐ Telcal ☐ Mail

Reply: ☐ FAX ☐ Telcal ☐ Mail

Requestor ☐ (Requestor Name is Required)

Phone #: (607) 223-6880 FAX #: (607) 223-6327

UCFN: 272B-35-76926

(The UCFN (File #) is Required)

Office/RA: Boston

Precedence: ☐ ROUTINE ☐ PRIORITY ☐ IMMEDIATE

Fugitive: ☐ Yes ☐ No
CCH Conducted: ☐ Yes ☐ No
Driver's Lic. Conducted: ☐ Yes ☐ No
Driver's License #: _____ State: _____

NCIC Activity/Date: _____
Off-Line Searches Conducted: _____
Subject: ☐ Yes ☐ No Vehicle: ☐ Yes ☐ No Driver's License: ☐ Yes ☐ No
Vehicle Registration: _____ State: _____

SEARCH CRITERIA (Attach additional sheets if necessary)

Name - Last: _____ First: _____ Middle: _____
Alias: _____ Sex: F DOB1: _____ DOB2: _____
SSAN: _____ SSAN2: _____ Spouse: _____

RESIDENCE

Street Address: _____ City/State: _____ Zip: _____ Phone: _____

BUSINESS

Business Name: _____ Street Address: _____

City/State: _____ Zip: _____ Phone: _____ Business ID#: _____

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed)

- ☒ 1. Specific Information Desired BIRTH RECORD DATA IN PA (Not available)
- ☒ 2. Determine All Individuals Associated with Social Security Number(s)
- ☒ 3. Report Validity of Social Security Number
- ☐ 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT
- ☐ 5. Determine Who is Associated with Telephone Number(s)
- ☐ 6. Determine Address of Business/Person (U.S. _____, _____, _____ State(s))
- ☐ 7. Determine Property Owned by Individual (U.S. _____, _____, _____ State(s))
- ☐ 8. Determine Who Owns Property Listed Above
- ☐ 9. Determine Who Resides at Address Listed Above
- ☐ 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)
- ☐ 11. Determine Corporate Business Info/Institutions Associated with: _____ (Person/Business)

Reply From: FBI, Butte Information Technology Center (BITC)

Return Reply To:

SAC, _____

Attention: _____

Based on search criteria, marked records are attached:

- ☒ Possible Identifiable Records
- ☐ Other Peripheral Information
- ☐ Brief Synopsis of Information Found
- ☐ No Information Found

ITC Use Only: BITC Record #: 90180
Date/Time In: 11/2 17:15 ☒ am ☐ pm
Date/Time Out: 11/11/12 4 ☐ am ☒ pm
Database(s) Used: TRW
1. TRW 5. _____ 9. _____
2. TRW 6. _____ 10. _____
3. TRW 1. _____
4. TRW 2. _____
Handled By: _____

b6
b7C

PLEASE RETURN

INVESTIGATIVE INFORMATION SERVICES
REPLY FORM

In order to help us better serve your investigative needs,
please complete the following and return to:

FBI, Butte Information Technology Center
400 North Main Street, Room #115
Butte, Montana 59701

BUTTE ITC RECORD #: 90180 UCFN: 272B-BJ-76926
406 496-3816

RE:

Was the information provided helpful to your investigation? ☐ YES ☐ NO

If NO, please let us know how we could be more helpful to your
investigation: _____

b6
b7C

ACCOMPLISHMENT(S) resulting from information:

PERSON(S): (Enter total number applicable to each of the following)

_____ FBI Fugitive(s) Arrested: ☐ FBI ☐ Local Date _____

(Forward photo of Fugitive arrested with this Reply form)

_____ Local Fugitive(s) Arrested: ☐ FBI ☐ Local Date _____

(Forward photo of Fugitive arrested with this Reply form)

_____ Subject(s) ☐ Arrested ☐ Located ☐ Identified

(Forward photo of Subject arrested with this Reply form)

_____ Witness(es) ☐ Located ☐ Identified

_____ New Witness(es) ☐ Located ☐ Identified

BUSINESS(ES): (Enter total number applicable to each of the following)

_____ New Business(es) Identified

_____ New Business Associates/Associations Identified

_____ Financial Audit Trail(s) Enhanced

ASSET(S): (Enter total number applicable to each of the following)

(TYPES: C = CASH R = REAL PROPERTY P = PERSONAL PROPERTY)

_____ Asset(s) ☐ Located ☐ Identified [VALUE: _____ TYPE: _____]

_____ Asset(s) Subject to Seizure/Forfeiture [VALUE: _____ TYPE: _____]

_____ Potential Economic Loss Prevented [VALUE: _____ TYPE: _____]

OTHER: (Enter total number applicable to each of the following)

_____ New Case(s) Initiated

SA

_____ New Lead(s) Generated

COMMENTS: _____

1 - Case File

1 - BITC

***** - P L E A S E R E T U R N - *****

FEDERAL BUREAU OF INVESTIGATION

Precedence: Routine

Date: 11/10/1995

To: Boston

Attn: [REDACTED]

b6
b7CFrom: Butte Information Technology Center (ITC) -
Investigative Information Services Center (IISC)

Contact: [REDACTED] Phone #: 406 496-3816

Approved By: [REDACTED]

Drafted By: [REDACTED]

File Number(s): 272B-BS-76926 (Pending)

Title: [REDACTED]

RECORD #90180

Synopsis: Attached are copies of printouts setting forth results of inquiries conducted by the IISC. Also attached is a copy of an accomplishment/reply form. It is requested that you record the IISC accomplishments on this form and return it to the IISC. Please maintain an additional copy with the computer printouts as a serial in your case file.



Details: The following results are attached for your review: the SSAN was issued in 1980 in the State of MA associated to your Subject.

♦♦

CC: 1 - 272 Special Agent Supervisor

Note: Copy forwarded to Case Agent via fedex on 11/13/95.

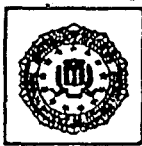
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272B-BS-76926

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 14 1995	
FBI - BOSTON	

[REDACTED]

b6
b7C



INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Butte Information Technology Center

400 North Main Street, Room #115

Butte, Montana 59701

- ▶ Commercial Telephone: (406) 782-2304
 ▶ FTS: 700-585-2391 ▶ FAX: (406) 782-9504, 782-9507 & 782-7418
 ▶ Secure FAX & STU III: (406) 782-2304, Ext. 26

ITC Use Only:		BITC Record #: <u>90180</u>	
Date/Time In:	<u>11/12/95</u>	☒ am ☐ pm	
Date/Time Out:	<u>11/11/95</u>	☐ am ☒ pm	
Database(s) Used:			
1. <u>TRW</u>	5. _____	9. _____	
2. <u>TL</u>	6. _____	10. _____	
3. _____			
4. _____			
Handled By:			

b6
b7C

TO: FBI, BUTTE INFORMATION TECHNOLOGY CENTER

Date: 9/27/95

Forfeiture: _____

Type of Request: ☒ FAX ☐ Telcal ☐ Mail

Requestor: _____

Phone #: (607) 223-6380 FAX #: (607) 223-6327Reply: ☐ FAX ☐ Telcal ☐ MailUCFN: 273-35-76926

(Requestor Name is Required)

(The UCFN (File #) is Required)

Office/RA: BOSTONPrecedence: ☐ ROUTINE ☐ PRIORITY ☐ IMMEDIATEFugitive: ☐ Yes ☐ NoCCH Conducted: ☐ Yes ☐ NoDriver's Lic. Conducted: ☐ Yes ☐ No

Driver's License #: _____ State: _____

NCIC Activity/Date: _____

Off-Line Searches Conducted: _____

Subject: ☐ Yes ☐ No Vehicle: ☐ Yes ☐ No Driver's License: ☐ Yes ☐ No

Vehicle Registration: _____ State: _____

SEARCH CRITERIA (Attach additional sheets if necessary)

Name - Last: _____ First: _____ Middle: _____

Alias: _____ Sex: F DOB1: _____ DOB2: _____

SSAN: _____ SSAN2: _____ Spouse: _____

RESIDENCE

Street Address: _____ City/State: _____ Zip: _____ Phone: _____

BUSINESS

Business Name: _____ Street Address: _____

City/State: _____ Zip: _____ Phone: _____ Business ID#: _____

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed)

- ☒ 1. Specific Information Desired BIRTH RECORD DATA IN PA (Not available)
☒ 2. Determine All Individuals Associated with Social Security Number(s)
☒ 3. Report Validity of Social Security Number
☐ 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT
☐ 5. Determine Who is Associated with Telephone Number(s)
☐ 6. Determine Address of Business/Person (U.S. _____, _____, _____ State(s))
☐ 7. Determine Property Owned by Individual (U.S. _____, _____, _____ State(s))
☐ 8. Determine Who Owns Property Listed Above
☐ 9. Determine Who Resides at Address Listed Above
☐ 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)
☐ 11. Determine Corporate Business Info/Institutions Associated with: _____

(Person/Business)

Reply From: FBI, Butte Information Technology Center (BITC)

Return Reply To:

SAC, _____

Attention: _____

Based on search criteria, marked records are attached:

- ☒ Possible Identifiable Records
☐ Other Peripheral Information
☐ Brief Synopsis of Information Found
☐ No Information Found

PLEASE RETURN

INVESTIGATIVE INFORMATION SERVICES
REPLY FORM

In order to help us better serve your investigative needs,
please complete the following and return to:

FBI, Butte Information Technology Center
400 North Main Street, Room #115
Butte, Montana 59701

BUTTE ITC RECORD #: 90180

UCFN: 272 B-BS-76926

406 496-3816

RE:

Was the information provided helpful to your investigation? ☐ YES ☐ NO

If NO, please let us know how we could be more helpful to your
investigation: _____

b6
b7C

ACCOMPLISHMENT(S) resulting from information:

PERSON(S): (Enter total number applicable to each of the following)

_____ FBI Fugitive(s) Arrested: ☐ FBI ☐ Local Date _____

(Forward photo of Fugitive arrested with this Reply form)

_____ Local Fugitive(s) Arrested: ☐ FBI ☐ Local Date _____

(Forward photo of Fugitive arrested with this Reply form)

_____ Subject(s) ☐ Arrested ☐ Located ☐ Identified

(Forward photo of Subject arrested with this Reply form)

_____ Witness(es) ☐ Located ☐ Identified

_____ New Witness(es) ☐ Located ☐ Identified

BUSINESS(ES): (Enter total number applicable to each of the following)

_____ New Business(es) Identified

_____ New Business Associates/Associations Identified

_____ Financial Audit Trail(s) Enhanced

ASSET(S): (Enter total number applicable to each of the following)

(TYPES: C = CASH R = REAL PROPERTY P = PERSONAL PROPERTY)

_____ Asset(s) ☐ Located ☐ Identified [VALUE: _____ TYPE: _____]

_____ Asset(s) Subject to Seizure/Forfeiture [VALUE: _____ TYPE: _____]

_____ Potential Economic Loss Prevented [VALUE: _____ TYPE: _____]

OTHER: (Enter total number applicable to each of the following)

_____ New Case(s) Initiated

SA

_____ New Lead(s) Generated

COMMENTS: _____

Memorandum



To : SAC, BOSTON (272B-BS-76926) (P) (C-11) Date 11/16/95

From :

SA [REDACTED]

b6
b7C

Subject:



BALTIC INTERNATIONAL BANK;
FINANCIAL INSTITUTION FRAUD;
OO: Boston

For information of the file it is reported that the following schedule summarizes the calling activity of subjects from the business and cellular telephones as well as calls from which charges are reversed to the business account.

2,3

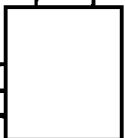


2 - Boston

[REDACTED] (2)

272B-BS-79465-33 33 34
~~272B-BS-76926~~

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 15 1995	
FBI - BOSTON	



b6
b7C

Memorandum



To : SAC, BOSTON (272B-BS-76926) (P) (C-11) Date 11/27/95

From : SA [REDACTED]

Subject:

[REDACTED]
BALTIC INTERNATIONAL BANK;
FINANCIAL INSTITUTION FRAUD;
OO: BOSTON

For information of the file, it is reported that writer spoke with [REDACTED] on instant date regarding the Federal Grand Jury Subpoena (FGJ) [REDACTED] that was served

[REDACTED]

2 - Boston
[REDACTED] (2)

29B-BS-79465-34 32
272B-BS-76926-

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 28 1995	
FBI - BOSTON	

[REDACTED]

b6
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b3
b6
b7C

b6
b7C

United States District Court

DISTRICT OF Massachusetts

TO:

b3

SUBPOENA TO TESTIFY
BEFORE GRAND JURY

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

Receptionist - 10th Floor
United States Attorney's Office
1003 J.W. McCormack Post Office & Courthouse
Congress Street
Boston, MA 02109

COURTROOM

Grand Jury
13th Floor

DATE AND TIME

b3
b6
b7C

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

(X)

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

ROBERT J. SMITH JR

DATE

November 14, 1995

b6
b7C

(BY) DE

This subpoena is issued on application
of the United States of America

Donald K. Stern
United States Attorney

NAME, ADDRESS AND PHONE NUMBER OF

Assistant U.S. Attorney
1003 J.W. McCormack P.O.
Boston, Massachusetts 02109
(617) 223-9400

29B-B5-79465-37

*If not applicable, enter "none"

272B-B5-76926-35

RETURN OF SERVICE (1)		
RECEIVED BY SERVER	DATE <i>11/21/95</i>	PLACE <i>Boston, MA</i>
SERVED	DATE <i>11/22/95</i>	PLACE
SERVED ON (PRINT NAME) 		
SERVED BY (PRINT NAME) 		TITLE <i>Special Agent</i>
STATEMENT OF SERVICE FEES		
TRAVEL	SERVICES	TOTAL
DECLARATION OF SERVER (2)		
I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct. Executed on <u><i>11/22/95</i></u> <i>1 Center Plaza, Suite 600 Boston, MA</i> Address of Server		
ADDITIONAL INFORMATION		

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

United States District Court

DISTRICT OF Massachusetts

TO:

b3

SUBPOENA TO TESTIFY
BEFORE GRAND JURY

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE Receptionist - 10th Floor
United States Attorney's Office
1003 J.W. McCormack Post Office & Courthouse
Congress Street
Boston, MA 02109

COURTROOM
Grand Jury
13th Floor

DATE AND TIME

b3
b6
b7C

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK **ROBERT J. SMITH, JR.**

DATE

November 14, 1988

b6
b7C

(BY)

This subpoena is issued on application
of the United States of America

Donald K. Stern
United States Attorney

NAME ADDRESS AND PHONE NUMBER OF

Assistant U.S. Attorney
1003 J.W. McCormack P.O.
Boston, Massachusetts 02109

RNEY

34

*If not applicable, enter "none"

272B-BS-76926-
29B-BS-79465-

RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 11/14/95	PLACE Boston, MA
SERVED	DATE 11/15/95	PL [REDACTED]

b3
b6
b7C

SER [REDACTED]

SERVED BY (PRINT NAME)

[REDACTED]

TITLE

Special Agent

b6
b7C

STATEMENT OF SERVICE FEES

TRAVEL	SERVICES	TOTAL

DECLARATION OF SERVER (2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.

Executed on 11/15/95
Date

1 Center Plaza Suite 600 Boston, MA
Address of Server

b6
b7C

ADDITIONAL INFORMATION

[REDACTED]

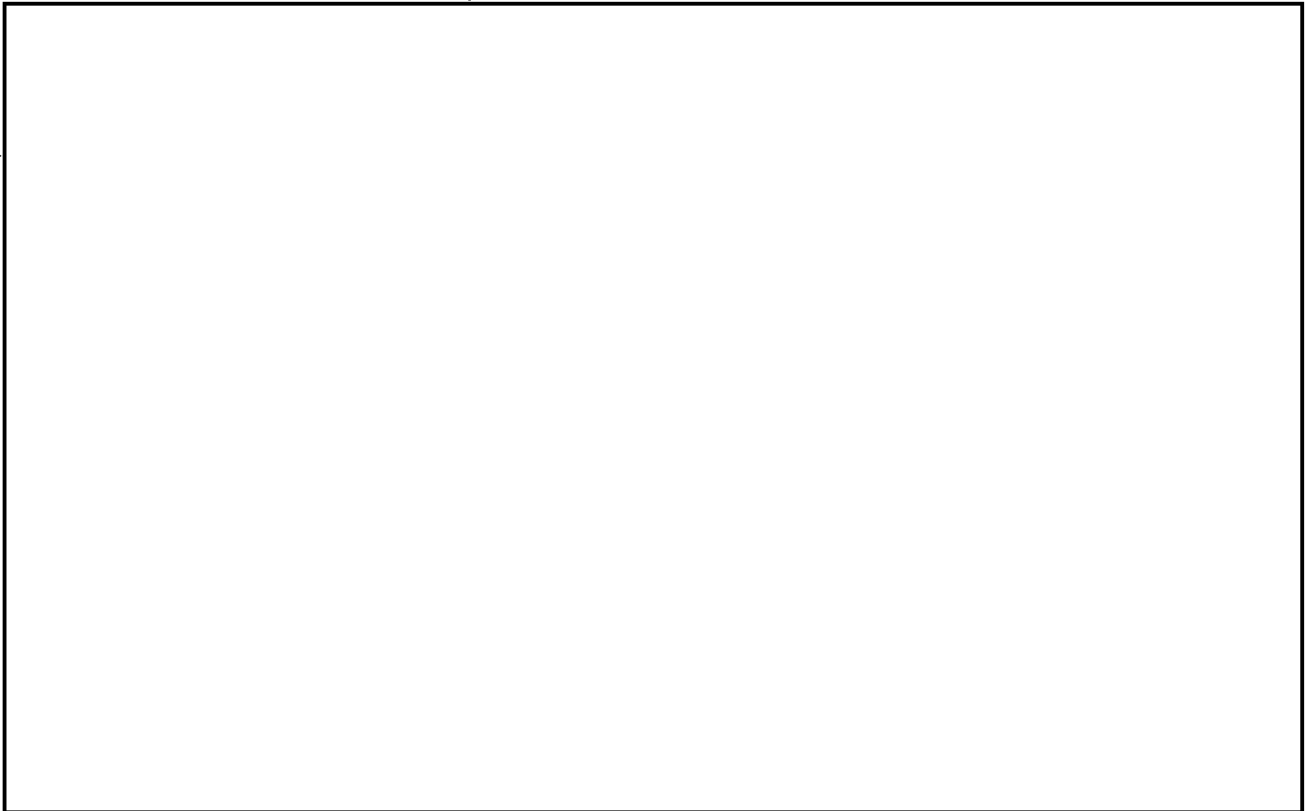
b6
b7C
b7E

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

SCHEDULE A

[REDACTED] should include, but are not limited to the following:



b3

United States District Court

DISTRICT OF Massachusetts

TO:

b3

SUBPOENA TO TESTIFY
BEFORE GRAND JURY

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE Receptionist - 10th Floor
United States Attorney's Office
1003 J.W. McCormack Post Office & Courthouse
Congress Street
Boston, MA 02109

COURTROOM
Grand Jury
13th Floor

DATE AND TIME

b3
b6
b7C

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

(X)

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK **ROBERT J. SMITH, JR.**

DATE

November 17, 199**6**
b6
b7C

(BY) DEP

This subpoena is issued on application
of the United States of America

Donald K. Stern
United States Attorney

NAME ADDRESS AND PHONE NUMBER OF A

ASSISTANT U.S. Attorney
1003 J.W. McCormack P.O.C
Boston Massachusetts 02109

KEY

*If not applicable, enter "none"

272B-B5-76926-
29B-B5-77465-38 38

RETURN OF SERVICE (1)		
RECEIVED BY SERVER	DATE <u>11/20/95</u>	PLACE <u>Boston, MA</u>
SERVED	DATE <u>11/27/95</u>	PLACE
SERVED ON (PRINT NAME) 		
SERVED BY (PRINT NAME) 		TITLE <u>SPECIAL AGENT, FBI</u>
STATEMENT OF SERVICE FEES		
TRAVEL	SERVICES	TOTAL
DECLARATION OF SERVER (2)		
I declare under penalty of perjury information contained in the Return of of America that the foregoing fees is true and correct. Executed on <u>11/27/95</u> <u>ONE CENTER PLAZA, SUITE 600, BOSTON, MA 02108</u> Address of Server		
ADDITIONAL INFORMATION		

- (1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.
- (2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

U.S. Department of Justice



Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Suite 600 One Center Plaza
Boston, Massachusetts 02108
December 14, 1995



b6
b7C

RE: Baltic International Bank

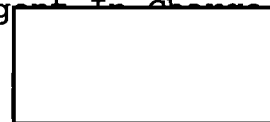
Dear Sir,

Our office has a continuing investigative interest in Baltic International Bank. Accordingly, we request that the Commission defer any regulatory action against Baltic for an additional sixty (60) days. Information developed through investigation to date coincides with that obtained by your staff in that deposit activity by individuals in the Boston area appears to be minimal at this time. If you have any questions concerning this matter, please contact Special Agent [redacted] at (617) 223-6380.

Sincerely,

RICHARD S. SWENSEN
Special Agent in Charge

RS

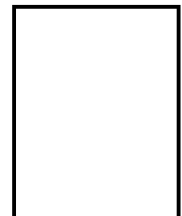


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By:



Supervisory Special Agent



1 - Addressee
1 - Boston (272B-BS-76926)
[redacted] (2)

3 b6
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~~272B-BS-76926~~ -
29B-BS-79465-39

~~272-B-AS-76986-38~~

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40

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RR FBIBS

DE FBIBS #0013 0542146

ZNR UUUUU

R 232144Z FEB 96

FM FBI BOSTON (272B-BS-76926) (P) (C-11)

TO DIRECTOR FBI/ROUTINE/

BT

UNCLAS

CITE: //3090//

PASS: ATTN: FIF UNIT, ROOM 3865; [] ROOM 3117; SSA []

[] SSA []

b7E
b7C

SUBJECT: []

BALTIC INTERNATIONAL BANK; FINANCIAL INSTITUTION FRAUD;

OO:BOSTON.

PURPOSE:

[]

b7E

RECOMMENDATION:

PAGE TWO DE FBIBS 0013 UNCLAS

b7E

DETAILS:

INSTANT INVESTIGATION WAS PREDICATED THROUGH LIAISON WITH THE FEDERAL RESERVE BANK (FED) OF BOSTON. FED OFFICIALS WERE ALERTED TO THE POSSIBILITY THAT SUBJECTS WERE CONDUCTING UNAUTHORIZED BANKING FUNCTIONS FROM AN INQUIRY BY A POTENTIAL DEPOSITOR. BIB IS NOT REGISTERED IN THE STATE OF MASSACHUSETTS NOR DOES IT POSSESS A FEDERAL CHARTER. THIS ACTIVITY IS A VIOLATION OF TITLE 12, U.S.C., SECTION 378 WHICH IS ALSO KNOWN AS THE GLASS-STEAGALL ACT. INVESTIGATION IN BOSTON HAS SHOWN THAT SUBJECTS RECEIVED WRITTEN NOTIFICATION OF PROHIBITED ACTS FROM THE MASSACHUSETTS COMMISSION ON BANKS. FURTHERMORE, SUBJECTS ALTERED THE LETTER AND FORWARDED IT TO A LOCAL NEWSPAPER BY FACSIMILE TO LEND A DEGREE OF LEGITIMACY TO THE OPERATION AS PART OF A REQUEST TO PLACE ADVERTISING WITH THE PAPER.

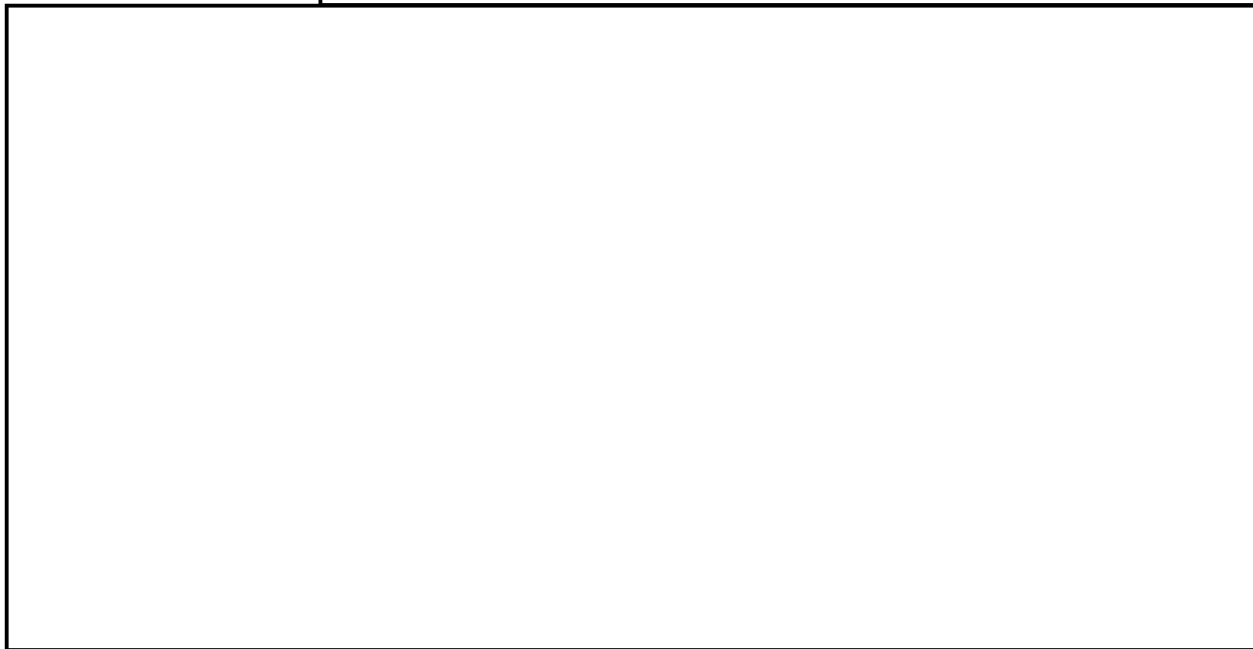
HAVE BEEN OBTAINED BY FEDERAL GRAND JURY

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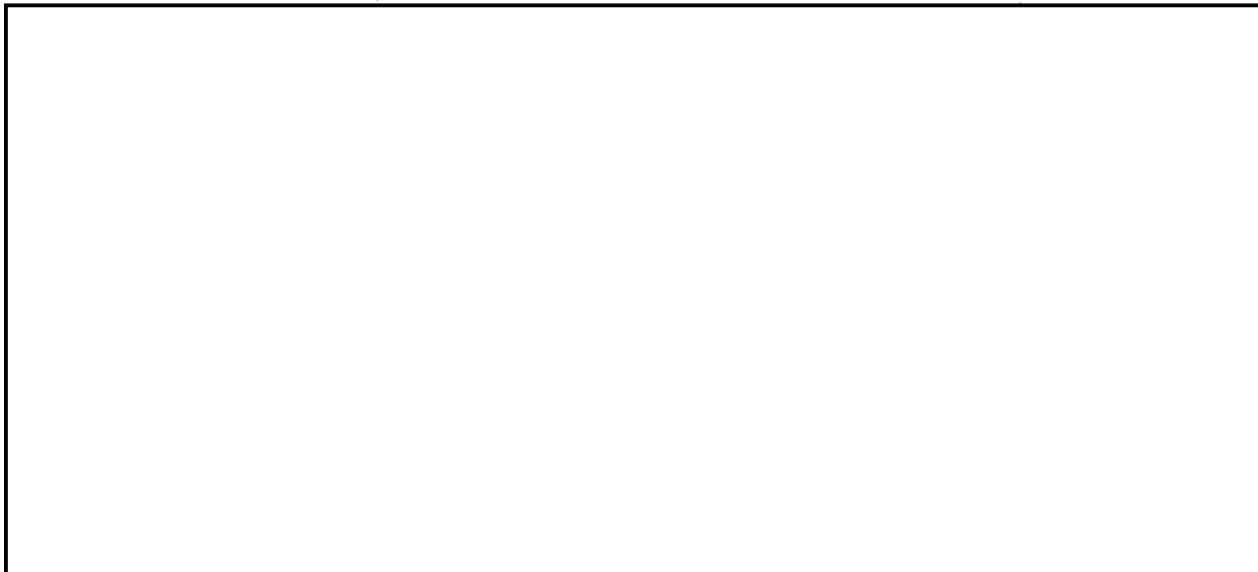
PAGE THREE DE FBIBS 0013 UNCLAS

(FGJ) SUBPOENA

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PAGE FOUR DE FBIBS 0013 UNCLAS

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BT

#0013

NNNN

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ AIRTEL

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☒ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLASDate 2/23/96

FM FBI BOSTON (272B-BS-76926) (P) (C-11)

TO DIRECTOR FBI/ROUTINE/

BT

UNCLAS

CITE: //3090//

PASS: ATTN: FIF UNIT, ROOM 3865; [] ROOM 3117; SSA []

[] SSA []

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b7C

SUBJECT: []

BALTIC INTERNATIONAL BANK; FINANCIAL INSTITUTION FRAUD;

OO: BOSTON.

PURPOSE:

[]

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RECOMMENDATION:

Approved: 255 []

Original filename: []

Time Received: []

Telprep filename: []

MRI/JULIAN DATE: 1672/054ISN: 013

FOX DATE & TIME OF ACCEPTANCE: []

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DETAILS:

INSTANT INVESTIGATION WAS PREDICATED THROUGH LIAISON WITH THE FEDERAL RESERVE BANK (FED) OF BOSTON. FED OFFICIALS WERE ALERTED TO THE POSSIBILITY THAT SUBJECTS WERE CONDUCTING UNAUTHORIZED BANKING FUNCTIONS FROM AN INQUIRY BY A POTENTIAL DEPOSITOR. BIB IS NOT REGISTERED IN THE STATE OF MASSACHUSETTS NOR DOES IT POSSES A FEDERAL CHARTER. THIS ACTIVITY IS A VIOLATION OF TITLE 12, U.S.C., SECTION 378 WHICH IS ALSO KNOWN AS THE GLASS-STEAGALL ACT. INVESTIGATION IN BOSTON HAS SHOWN THAT SUBJECTS RECEIVED WRITTEN NOTIFICATION OF PROHIBITED ACTS FROM THE MASSACHUSETTS COMMISSION ON BANKS. FURTHERMORE, SUBJECTS ALTERED THE LETTER AND FORWARDED IT TO A LOCAL NEWSPAPER BY FACSIMILE TO LEND A DEGREE OF LEGITIMACY TO THE OPERATION AS PART OF A REQUEST TO PLACE ADVERTISING WITH THE PAPER.

^PAGE 3 FBIBS 272B-BS-76926 UNCLAS

[REDACTED]

HAVE BEEN OBTAINED BY FEDERAL GRAND JURY

(FGJ) SUBPOENA

[REDACTED]

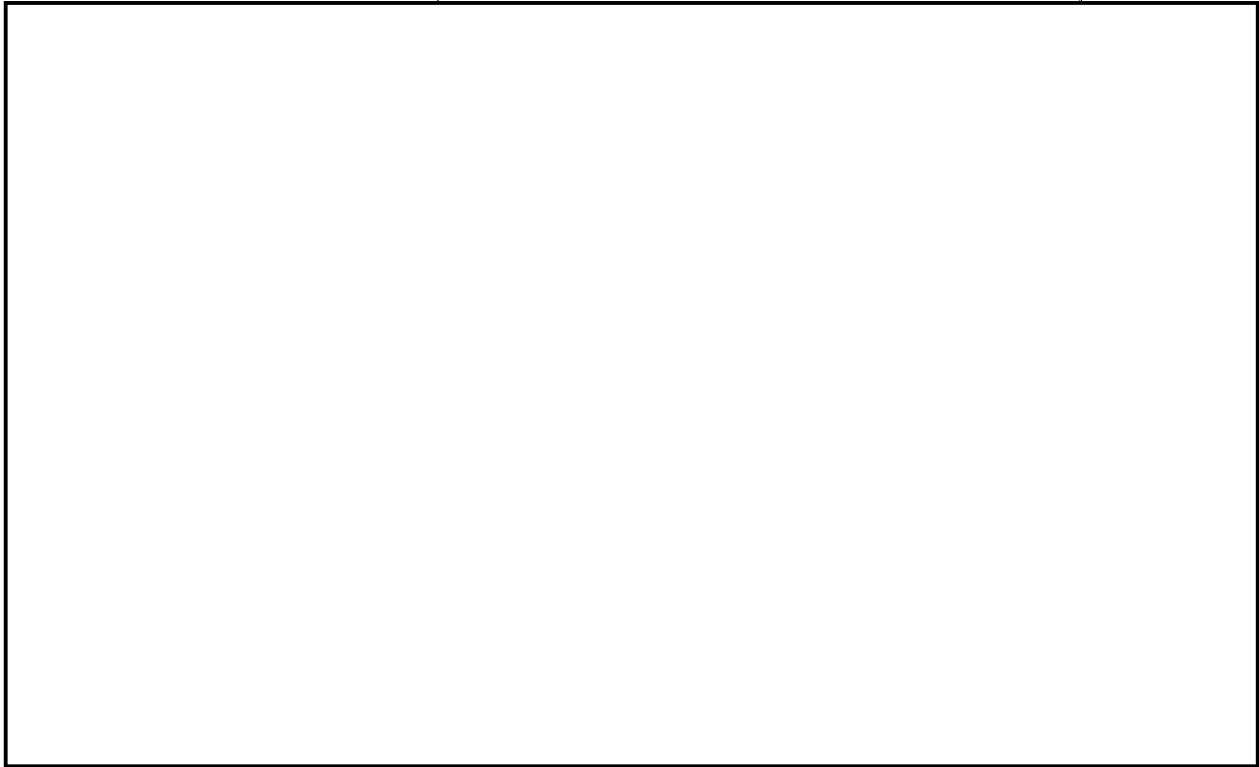
[REDACTED]

[REDACTED]

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^PAGE 4 FBIBS 272B-BS-76926 UNCLAS



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BT

(06/01/1995)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 04/01/1996

To: FBIHQ

Attn: FIF Unit, Room 3865;

SSA
SSA

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b6
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From: Boston

C-11

Contact: SA

Approved By:

Drafted By:

Case ID #: (Pending)

~~272B-BS-67926~~ (Pending) 76926

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Title:

Baltic International Bank;
Financial Institution Fraud;
OO:Boston

Synopsis: Provide copy of proposal.

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Details: Re BS teletype to the Bureau, dated 2/23/96, captioned as above.

Enclosed for information purposes is a copy of the
proposal in captioned matter.

♦♦

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29B-BS-79465-41
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~~272B-BS-76926~~ b7C
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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 04/18/1996

To: [REDACTED]

Attn: SA [REDACTED]
SQUAD 5

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b7C
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From: BOSTON [REDACTED]
C-1

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 272B-BS-76926 (Pending)

Title: [REDACTED]
BALTIC INTERNATIONAL BANK;
ET AL;
OO:BOSTON

Synopsis: [REDACTED]

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Details: Reference BS telcall from SA [REDACTED] to [REDACTED]
[REDACTED] on 4/15/96.

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For information of [REDACTED]

[REDACTED] Baltic International Bank, that is unlicensed and otherwise unauthorized to operate. The "bank" offers term deposit rates of 10% - 15% for terms of 90 days to 24 months on amounts of \$5,000 and up. The entire operation is a violation of the Glass-Steagle Act, Title 12, U.S.C., Section 378.

[REDACTED]

[REDACTED]

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[REDACTED]

29B-BS-79465-43
~~272B-BS-76926-41~~

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[REDACTED]

[REDACTED]

10 [REDACTED] 05. EC

(06/01/1995)

FEDERAL BUREAU OF INVESTIGATION
To: From: BOSTON
Re: 272B-BS-76926, 04/18/1996

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272B-BS-76906-171

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 05/03/96

[Redacted]

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b7E

[Redacted]

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Investigation on 05/03/96 at [Redacted] File # 272B-BS-76926

by SA [Redacted] Date dictated 05/03/96

(03/31/95)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 05/03/1996

To: Boston

Attn: SA

C-11

From:

Contact: SA

Ext. 6151

Approved By:

Drafted By:

File Number(s):

(Pending)

272B-BS-76926

Title:

BALTIC INTERNATIONAL BANK;
ET AL;
MONEY LAUNDERING;
OO: BOSTON

Synopsis: To enclose and two copies of
a FD-302 dated May 3, 1996.

Enclosures:

Reference: Boston EC to April 18, 1996.

Details: In referenced EC,

These
instructions were provided to SA on April 29, 1996. On
April 30, 1996,

The enclosed check represents the funds received by

check #
provided to
SA
5/6/96

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(03/31/95)

FEDERAL BUREAU OF INVESTIGATION

To: Boston From: [REDACTED]

Re: [REDACTED] 05/03/1996

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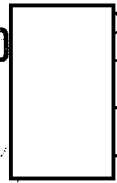
[REDACTED] will provide Boston with evidentiary evidence
[REDACTED] when it is received.

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29B-B5-79465-46 272B-B5-76926-44

46

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/7/96

On May 6, 1996 at approximately 3:45 pm. Special Agent
(SA)

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Investigation on 5/6/96 at Boston, Massachusetts File # 272B-BS-76926

by SA Date dictated 5/6/96

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FEDERAL BUREAU OF INVESTIGATION

✓ **Precedence:** ROUTINE

Date: 04/11/1996

To: BOSTON

Attn: SA [REDACTED]
Squad C-11

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From: CRIMINAL INVESTIGATIVE DIVISION

Contact: [REDACTED] EXT. 5694

ROOM 3117

b7E

Approved By: [REDACTED]

Drafted By: [REDACTED]

File Number(s): 272B-BS-679262 (Pending)

Title: [REDACTED] ET AL;
OO: BOSTON

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Enclosures: Two copies of exemption letter enclosed.

Details: Enclosed is one copy of a memorandum signed on 4/9/96 by Chief, Organized Crime and Racketeering Section, Paul E. Coffey, signifying certification of action requested as necessary for the conduct of the captioned operation.

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CC: 1 - Financial Crimes Section
(Attn: [REDACTED] Room 3865)

2 - [REDACTED]
(1 - [REDACTED])
(1 - [REDACTED])

♦♦

29B-BS-79465-47

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

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272B-BS-679262-45

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(03/31/95)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 06/11/1996

To: BOSTON

From: BOSTON

SQUAD C-11

Contact: [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

File Number(s): 29B-BS-69912 (Pending)
29B-BS-72500 (Pending)
272B-BS-76926 (Pending)

Title: [REDACTED] SOUTH BOSTON SAVINGS BANK;
[REDACTED] HEALTHCO INTERNATIONAL;
[REDACTED] BALTIC INTERNATIONAL BANK

Synopsis: REASSIGNMENT MEMORANDUM

Details: In accordance with writer's transfer to Squad S-2, it is recommended that captioned matters be reassigned.

♦♦

Reassign 272B-BS-76926
to [REDACTED] 6/13/96

Reassign
6/14/96

29B-BS-79465-49
~~272B-BS-76926-47~~

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BOSTON	

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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 06/04/1996

To: Boston

Attn: SA [REDACTED]

C-11

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b7E

From: [REDACTED]

Contact: SA [REDACTED]

Ext. 6151

Approved By: [REDACTED]

Drafted By: [REDACTED]

File Number(s): [REDACTED]

(Pending)

272B-BS-76926

Title: [REDACTED]

[REDACTED] BALTIC INTERNATIONAL BANK;

ET AL;

MONEY LAUNDERING;

OO: BOSTON

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Synopsis: To enclose original and two copies of a FD-302 dated June 4, 1996, and original envelope and letter received from subject.

Enclosures: Original and two copies of a FD-302 dated June 4, 1996; and three 1-As containing envelope, letter, and Deposit Agreement received from [REDACTED]

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Details: On May 31, 1996, [REDACTED]

[REDACTED]

[REDACTED]

29B-BS-79465-50
~~272B-BS-76926-48~~
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FBIHQ, [REDACTED] HAS ADVISED THAT NO ECs PREPARED [REDACTED]

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SERIALIZATION OF THESE ECs IS LEFT TO THE DISCRETION OF
THE OFFICE OF ORIGIN.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 06/04/96

On May 31, 1996, an envelope was received through the UNITED STATES POSTAL SERVICE (USPS) addressed to [REDACTED]

[REDACTED] This envelope was postmarked "May 24, 1996 at Boston, MA," and indicated a return address of "Baltic International Bank, 43 Kaleju Street, Riga, LV-1050, Latvia."

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Enclosed with the above envelope were the following items:

Original letter, dated May 6, 1996, from [REDACTED]
[REDACTED] BALTIC INTERNATIONAL BANK (BIB), to [REDACTED]
[REDACTED] confirming a \$5,000.00 deposit to
BIB account number [REDACTED]

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Original BIB Deposit Agreement (#291214), dated May 6, 1996, in the amount of \$5,000.00 for a term of three (3) months, between [REDACTED] and [REDACTED] BIB.

The originals of the above items and envelope were retained as evidence, and copies are attached. The originals

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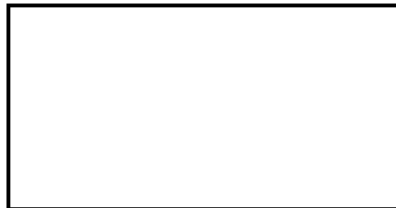
Investigation on 05/31/96 at [REDACTED] File # 29B-BS-79465-51
by SA [REDACTED] Date dictated 06/03/96

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BALTIC INTERNATIONAL BANK

"THE PRIVATE BANK"

May 6, 1996



Dear 

It is with great pleasure that I welcome you as a new client to Baltic International Bank.

Each deposit made into the bank helps to further strengthen the economy of our emerging nation. We are very proud to say that our clients are among the largest and most successful organizations in Latvia.

Your deposit has been assigned Baltic International Bank account number . The amount deposited into your account is \$5,000.00, for a period of three months, earning 12 % compound interest. This will bring the balance of your Baltic International Bank account to \$ 5,126.04 on August 6, 1996.

On behalf of the entire staff of Baltic International Bank, I thank you for your interest, and look forward to providing you with superior service.


President

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BALTIC INTERNATIONAL BANK

DEPOSIT AGREEMENT

291214

Baltic International Bank, its primary location being 43 Kaleju Street, Riga, LV 1050, Latvia, (hereinafter referred to as "Bank"), represented by its Vice President [redacted] operating on the basis of statute, and [redacted]

[redacted] (hereinafter referred to as "Depositor"), mutually agree to the following terms and conditions:

Depositor agrees to transfer to the Bank temporary available financial resources, (deposit) in the amount of \$ 5,000.00 for a term of 3 months. Depositor is to transfer to the Bank the deposit amount specified upon the execution of this Deposit Agreement. Upon the expiration of the deposit term, Depositor is provided the option to either withdraw the deposit or to extend the deposit term. Such extension of deposit term may only be enacted upon the consent of the Bank. Depositor is entitled to receive interest payments monthly (simple interest) within the deposit term, or one interest payment upon deposit term expiration (compound interest). Having been provided with the option of compound or simple interest payments, Depositor's selection is COMPOUND interest. Having selected deposit program number 1, interest is calculated at an annual rate of 10 %.

Bank agrees to keep the deposit in an account number to be determined. An account will not take effect until such time as a deposit is received from the Depositor. Once an account and account number have been established, Bank will notify Depositor, within five business days, via United States mail. Bank is entitled to dispose of deposit within the deposit term at Bank's discretion. Bank is entitled to utilize the deposit as loan resources on behalf of the Bank.

Simple interest is to be paid each month, on the anniversary date of the deposit, until the completion of the deposit term. Compound interest is to be paid in full, upon the completion of the deposit term. At deposit term expiration, Bank is to recompense Depositor the amount of initial deposit. Bank guarantees confidentiality of deposit and Depositor.

Depositor is entitled to withdraw deposit prior to the expiration of the deposit term, provided the Depositor adheres to and comprehends the following conditions: (1) Depositor must inform Bank in writing 14 days prior to early withdrawal, (2) Deposits which have been held by the Bank for a term of less than six months may not qualify for early withdrawal, (3) Deposits which are prematurely withdrawn between a period of six and nine months subsequent to the initiation of account will be paid at an annual rate of 2 %, nine months or more will be paid at an annual rate of 3 %.

In the event of the Depositor's demise, deposit and interest are transferred to a Beneficiary, as pre-designated by the Depositor. Said Beneficiary must present Death Certificate of Depositor, along with valid identification. In the event of Depositor's divestiture of physical, mental or legal competence, (said incompetence having been ruled by court decision), the entitlement of the Deposit Agreement is transferred to the person or entity designated by the court.

My signature below certifies that I [redacted] have read, understand and agree to the conditions of deposit as [redacted] Bank.

Depositor Signature

[redacted]

Date

5/6/96

Date

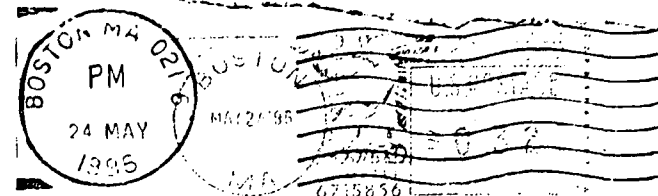
5/8/96

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BALTIC
INTERNATIONAL
BANK

43 KALEJU STREET
RIGA, LV-1050
LATVIA



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